MEETING
STATE OF CALIFORNIA
AIR RESOURCES BOARD

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1001 I STREET
SACRAMENTO, CALIFORNIA

THURSDAY, JUNE 28, 2018
9:12 A.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
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Ms. Ellen Peter, Chief Counsel
Ms. La Ronda Bowen, Ombudsman
Ms. Emily Wimberger, Chief Economist
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Ms. Kim Heroy-Rogalski, Chief, Mobile Source Regulatory Development Branch, MSCD

Mr. Vernon Hughes, Branch Chief, Community Assessment Branch, OCAP

Ms. Peggy Jenkins, Manager, Indoor Exposure Assessment Section, RD

Ms. Margaret Kim, Senior Attorney, Legal Office

Mr. Jack Kitowski, Division Chief, MSCD'

Mr. Aaron Livingston, Assistant Chief Counsel, Legal Office

Mr. Jeff Lowry, Staff Air Pollution Specialist, Off-Road Control Section, MSCD

Ms. Karen Magliano, Director, OCAP

Ms. Heather Quiros, Chief, Diesel Program Enforcement Branch, ED

Mr. Todd P. Sax, Division Chief, ED

Mr. Craig Segall, Assistant Chief Counsel, Legal Office

Ms. Linda Smith, Chief, Health and Exposure Assessment Branch, RD
APPEARANCES CONTINUED

STAFF:
Mr. Mark Stover, Chief, Field Operations Branch, ED
Mr. Alex Wang, Senior Attorney, Legal Office
Mr. Jeff Williams, Air Pollution Specialist, Indoor Exposure Assessment Section, RD

ALSO PRESENT:
Mr. Alan Abbs, California Air Pollution Control Officer's Association
Ms. Martha Dina Arguello, Physicians for Social Responsibility
Mr. Will Barrett, American Lung Association
Mr. Timothy Blubaugh, Truck and Engine Manufacturers Association
Ms. Noelle Creamers, California Farm Bureau Federation
Ms. Josephine Fleming, California Green Business Network
Ms. Genevieve Gale, San Joaquin Valley AB 617 Steering Committee
Mr. Michael Geller, Manufacturers of Emission Controls Association
Mr. Allen Hernandez, Center for Community Action and Environmental Justice
Mr. David Lancaster, Borg Warner
Mr. Jaime Lemus, Sacramento Metropolitan Air Quality Management District
Mr. Bill Magavern, Coalition for Clean Air
Mr. Richard McCaskill, Fruition Consulting
Ms. Lisa McGhee, San Diego Airport Parking Co.
ALSO PRESENT:

Mr. Wayne Michaud, Idel-Free California
Mr. Luis Olmedo, Comite Civico Del Valle
Ms. Yolanda Park, Catholic Charities
Ms. Janice Snyder, Sacramento Metropolitan Air Quality Management District
Mr. Alex Solis, Comite Civico Del Valle
Ms. Kathy Taylor, United States Environmental Protection Agency, Region 9
Ms. Pauline Torres, Center on Race, Poverty and, the Environment
Ms. Stephanie Tsai, California Environmental Justice Alliance
Mr. Mike Tunnell, American Trucking Association
Mr. Steve Wallauch, Platinum Advisors
Ms. Janet Whittick, California Council for Environmental and Economic Balance
<table>
<thead>
<tr>
<th>INDEX</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge of Allegiance</td>
<td>1</td>
</tr>
<tr>
<td>Roll Call</td>
<td>1</td>
</tr>
<tr>
<td>Opening Remarks by Chair Nichols</td>
<td>3</td>
</tr>
<tr>
<td>Item 18-5-1</td>
<td>4</td>
</tr>
<tr>
<td>Chair Nichols</td>
<td>5</td>
</tr>
<tr>
<td>Motion</td>
<td>5</td>
</tr>
<tr>
<td>Vote</td>
<td>5</td>
</tr>
<tr>
<td>Item 18-5-2</td>
<td>5</td>
</tr>
<tr>
<td>Chair Nichols</td>
<td>7</td>
</tr>
<tr>
<td>Executive Officer Corey</td>
<td>8</td>
</tr>
<tr>
<td>Staff Presentation</td>
<td>24</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>28</td>
</tr>
<tr>
<td>Mr. Lancaster</td>
<td>31</td>
</tr>
<tr>
<td>Ms. Wallauch</td>
<td>32</td>
</tr>
<tr>
<td>Mr. Geller</td>
<td>35</td>
</tr>
<tr>
<td>Mr. Blubaugh</td>
<td>37</td>
</tr>
<tr>
<td>Mr. Magavern</td>
<td>39</td>
</tr>
<tr>
<td>Mr. Tunnell</td>
<td>40</td>
</tr>
<tr>
<td>Mr. Barrett</td>
<td>42</td>
</tr>
<tr>
<td>Mr. McGhee</td>
<td>43</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>55</td>
</tr>
<tr>
<td>Motion</td>
<td>55</td>
</tr>
<tr>
<td>Vote</td>
<td>55</td>
</tr>
<tr>
<td>Item 18-5-3</td>
<td>55</td>
</tr>
<tr>
<td>Chair Nichols</td>
<td>56</td>
</tr>
<tr>
<td>Executive Officer Corey</td>
<td>57</td>
</tr>
<tr>
<td>Staff Presentation</td>
<td>79</td>
</tr>
<tr>
<td>Mr. Nastri</td>
<td>81</td>
</tr>
<tr>
<td>Mr. Sheikh</td>
<td>88</td>
</tr>
<tr>
<td>Mr. Nudd</td>
<td>94</td>
</tr>
<tr>
<td>Mr. Abbs</td>
<td>97</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>112</td>
</tr>
<tr>
<td>Ms. Snyder</td>
<td>113</td>
</tr>
<tr>
<td>Mr. Lemus</td>
<td>115</td>
</tr>
<tr>
<td>Ms. Creamers</td>
<td>117</td>
</tr>
<tr>
<td>Ms. Whittick</td>
<td>119</td>
</tr>
<tr>
<td>Ms. Park</td>
<td>122</td>
</tr>
<tr>
<td>Mr. Magavern</td>
<td>123</td>
</tr>
<tr>
<td>Ms. Gale</td>
<td>127</td>
</tr>
<tr>
<td>Ms. Torres</td>
<td>129</td>
</tr>
<tr>
<td>Mr. Hernandez</td>
<td>131</td>
</tr>
<tr>
<td>Item 18-5-3 (continued)</td>
<td></td>
</tr>
<tr>
<td>--------------------------</td>
<td>---</td>
</tr>
<tr>
<td>Ms. Tsai</td>
<td>131</td>
</tr>
<tr>
<td>Mr. Barrett</td>
<td>134</td>
</tr>
<tr>
<td>Mr. Olmedo</td>
<td>136</td>
</tr>
<tr>
<td>Mr. Solis</td>
<td>138</td>
</tr>
<tr>
<td>Ms. Argüello</td>
<td>139</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>142</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Afternoon Session</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>163</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item 18-5-4</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair Nichols</td>
<td>163</td>
</tr>
<tr>
<td>Executive Officer Corey</td>
<td>164</td>
</tr>
<tr>
<td>Staff Presentation</td>
<td>164</td>
</tr>
<tr>
<td>Ms. Fleming</td>
<td>173</td>
</tr>
<tr>
<td>Ms. Taylor</td>
<td>175</td>
</tr>
<tr>
<td>Mr. Abbs</td>
<td>183</td>
</tr>
<tr>
<td>Mr. McCaskill</td>
<td>186</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>191</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item 18-5-5</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair Nichols</td>
<td>198</td>
</tr>
<tr>
<td>Executive Officer Corey</td>
<td>199</td>
</tr>
<tr>
<td>Staff Presentation</td>
<td>200</td>
</tr>
<tr>
<td>Ms. McGhee</td>
<td>221</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>224</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item 18-5-6</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair Nichols</td>
<td>241</td>
</tr>
<tr>
<td>Executive Officer Corey</td>
<td>242</td>
</tr>
<tr>
<td>Staff Presentation</td>
<td>242</td>
</tr>
<tr>
<td>Board Discussion and Q&amp;A</td>
<td>253</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Public Comment</th>
<th>261</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjournment</td>
<td>265</td>
</tr>
<tr>
<td>Reporter's Certificate</td>
<td>266</td>
</tr>
</tbody>
</table>
CHAIR NICHOLS: Good morning, everybody. There's a change here.

(Laughter.)

CHAIR NICHOLS: We're in a different space, and it feels different. As you probably already know, the room next door is being remodeled to accommodate the larger Board that we now have. And it's going to be great. But in the meantime, we're reconfigured a little bit. So if we all look confused, it could be because we just don't know where things are, because they're not where they normally are.

But we're happy to be here, and we would like to welcome all of you to this Board meeting. We, I think, are ready to start. Yes, we are. So let's begin with the Pledge of Allegiance.

(Thereupon the Pledge of Allegiance was recited in unison.)

CHAIR NICHOLS: We'll ask the clerk to please call the roll.

BOARD CLERK McREYNOLDS: Dr. Balmes?
BOARD MEMBER BALMES: Here.

BOARD CLERK McREYNOLDS: Mr. De La Torre?
Mr. Eisenhut?

BOARD MEMBER EISENHUT: Here.
BOARD CLERK McREYNOLDS: Senator Florez?
BOARD MEMBER FLOREZ: Here.
BOARD CLERK McREYNOLDS: Assembly Member Garcia?
Supervisor Gioia?
BOARD MEMBER GIOIA: Here.
BOARD CLERK McREYNOLDS: Senator Lara?
Ms. Mitchell?
BOARD MEMBER MITCHELL: Here.
BOARD CLERK McREYNOLDS: Mrs. Riordan?
BOARD MEMBER RIORDAN: Here.
BOARD CLERK McREYNOLDS: Supervisor Roberts?
Supervisor Serna?
BOARD MEMBER SERNA: Here.
BOARD CLERK McREYNOLDS: Dr. Sherriffs?
BOARD MEMBER SHERRIFFS: Here.
BOARD CLERK McREYNOLDS: Professor Sperling?
BOARD MEMBER SPERLING: Here.
BOARD CLERK McREYNOLDS: Vice Chair Berg?
VICE CHAIR BERG: Here.
BOARD CLERK McREYNOLDS: Chair Nichols?
CHAIR NICHOLS: Here.
BOARD CLERK McREYNOLDS: Madam Chair, we have a quorum.
CHAIR NICHOLS: Great. So just a couple of announcements, which I think are the ones that everybody
has probably already memorized by now. But I do want to
point out that we have interpretation services available
today in Spanish for the third item, the update on
implementation of Assembly Bill 617, the Community Air
Protection Program. And headsets are available outside
the hearing room at the sign-up table, and can be picked
up at any time.

(Thereupon the interpreter translated.)

CHAIR NICHOLS: Thank you.

For safety reasons, please note the Emergency
exits to the rear of the room. In the event of a fire
alarm, we're required to evacuate this room immediately
and go downstairs. And then assemble outside until the
all-clear sign is heard, at which point we would return to
the room.

So for the people up here, there's an exit on
this side, but just the one, and for everybody else it's
in the back.

Anyone who wishes to testify should fill out a
request to speak card. And those are available in the
lobby outside the board room. And you can turn it into a
board assistant or the clerk of the Board prior to the
commencement of the item that you want to speak on.

Also, as usual, we'll be imposing a three-minute
time limit, unless we get to the point where things are so
jammed up, that we need to shorten it, but I don't think
that's likely to be the case today.

So with that, I think we can move to our regular
calendar. There's only one item on our consent calendar
this morning, that's Item number 18-5-1, which is the
submission of the 2013 amendments to the Cargo Tank Vapor
Recovery Regulation that is a part of our State
Implementation Plan. We did receive a comment on this
item during the public comment period. A commenter was
concerned that this regulation might later be amended
without a separate independent public process, if it was
submitted into the SIP.

However, that is not the case. Any future
amendment of this regulation would receive its own
separate independent public process. Having clarified
this point, we are able to proceed with this amendment --
with this item on the consent calendar. And I would like
to just ask the court clerk to verify if any witnesses
have signed up to speak on this item.

BOARD CLERK McREYNOLDS: No
CHAIR NICHOLS: So we have no witnesses.
Are there any Board members who want to remove
this item from the consent calendar?
Seeing none.
I will close the record for this item and ask for
a motion on the resolution?

VICE CHAIR BERG: Madam Chair, I move Item number 18-5-1.

BOARD MEMBER SERNA: Second.

BOARD MEMBER BALMES: Second.

CHAIR NICHOLS: All right. All in favor, please say aye?

(Unanimous aye vote.)

(Mr. De La Torre not present.)

CHAIR NICHOLS: Opposed?

Any abstentions?

Okay. Great.

Now, we'll move on to Item 2, which is proposed amendments to the California Emissions Control System Warranty Regulations and the maintenance provisions for 2022 and later model year on-road heavy-duty diesel vehicles and engines. It's not wonder why we use acronyms all the time.

(Laughter.)

CHAIR NICHOLS: That's a mouthful.

Heavy-duty diesel vehicles are one of the largest sources of air pollution in California, and are the largesse source of oxides of nitrogen within CARB's regulatory authority.

Last month, we approved for adoption amendments
to strengthen our heavy-duty vehicle smoke inspection
programs, and we also heard staff's vision for developing
an inspection and maintenance program for heavy-duty
vehicles, and potentially a smog check for heavy-duty
diesel trucks.

Today's item concerns emissions warranty
requirements for the same category of heavy-duty vehicles
and focuses on the importance of keeping their in-use
emissions as low as possible, since these vehicles tend to
be on the roads for a very long time.

The warranty amendments that are about to be
presented today are intended to work together with CARB's
other programs that target heavy-duty vehicle emissions,
such as our new vehicle standards, and the Truck and Bus
Rule. They're part of the lower in-use emissions
performance level measure in CARB's Mobile Source
Strategy.

These warranty amendments and related maintenance
provisions are intended to help ensure that on-road
heavy-duty diesel engines and their emissions control
systems continue to perform in-use as is required by law,
and with the least possible burden on those who are owning
and operating them in the manner that's expected.

So with that, Mr. Corey, there you are. Will you
please introduce this item.
EXECUTIVE OFFICER COREY: Yes. Thanks, Chair.

Since 2007 model year, all new California on-road heavy-duty diesel engines have been subject to stringent particulate matter and oxides of nitrogen, or NOx, emission standards, which manufacturers have met by equipping engines with diesel particulate filters and exhaust gas recirculation systems.

Additionally, since 2010 manufacturers have questioned engines with selective catalytic reduction systems to further control NOx emissions.

While these control technologies have been highly effective in reducing emissions, if they fail, an individual engine's emissions can increase significantly. It's therefore essential that these systems continue to function as intended throughout the engine's life, so that emissions remain low.

The currently required warranty period is much shorter than the actual service lives of many modern heavy-duty diesel vehicles and engines, which routinely exceed one million miles before a engine overhaul is needed.

Vehicle owners have little incentive to pay to repair emissions-related problems outside of the warranty, if those problems have no impact on fuel economy or vehicle performance. The consequence of not seeking
needed repairs in a timely manner is higher emissions.

Today, staff is proposing to lengthen both the existing emissions warranty periods and minimum maintenance intervals for heavy-duty vehicles with gross vehicle weight ratings greater than 14,000 pounds, including the diesel engines that power them.

I'll now ask Jeff Lowry to give the staff presentation.

Jeff

(Thereupon an overhead presentation was presented as follows.)

STAFF AIR POLLUTION SPECIALIST LOWRY: Thank you, Mr. Corey. And good morning, Chair Nichols and members of the Board.

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STAFF AIR POLLUTION SPECIALIST LOWRY: My presentation today will focus on the following:

First, I'll provide some background information, including how today's warranty item fits in with our overall plan for addressing emissions the heavy-duty vehicle fleet;

After that, I'll summarize California's current warranty periods for heavy-duty vehicles, including mandatory and voluntary extended coverage;

Next, I'll introduce staff's proposal to amend
the warranty regulations;

Following that, I'll present staff's estimates of the costs and emission benefits associated with the proposed amendments;

And I'll wrap things up with staff's recommendation.

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STAFF AIR POLLUTION SPECIALIST LOWRY: To start things off with a little perspective, here's an illustration of CARB's rulemakings for the next few years to reduce emissions from on-road heavy-duty vehicles.

The heavy-duty emissions warranty measure at the 3 o'clock on the figure is the subject of today's hearing. But as you can see, it's just one part of a concerted effort to ensure that heavy-duty trucks are as low-emitting as possible, both at the time of certification and during real-world operation.

In particular, the heavy-duty low NOx standards measure at 10 o'clock on the figure, will be an omnibus rulemaking aimed at addressing emissions from heavy-duty vehicles from before they are manufactured until the end of their useful lives. In addition to lower NOx standards, new test procedures, and revisions to our in-use compliance program, which is vital for ensuring emissions performance under real-world operating
conditions, this omnibus rulemaking will likely contain further revisions to the warranty regulations, possibly lengthening the warranty periods beyond those being proposed today.

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STAFF AIR POLLUTION SPECIALIST LOWRY: As illustrated in the bar graph, on-road heavy-duty diesel vehicles standards have become increasingly stringent over time. Some of the advanced emission control technologies that enable modern heavy-duty diesel vehicles to meet today's stringent NOx and PM standards are listed on this slide.

Modern diesel engines come equipped with advanced aftertreatment, including selective catalytic reduction, and diesel particulate filters. As advanced aftertreatment has become more widespread, longer warranty periods have become more important for providing greater certainty that these high-efficiency systems continue to function properly.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Here we see the relative contributions of mobile sources to the statewide NOx inventory in California.

Heavy-duty vehicles greater than 14,000 pounds contribute almost half of statewide mobile source NOx.
These same vehicles also emit 19 percent of the state's total mobile source diesel PM2.5 emissions. It's important to remember that California's State Implementation Plan requires NOx from heavy-duty vehicles to be reduced by 90 percent from current levels by 2031 to meet air quality goals in the South Coast Air Basin.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Shown here is the enormous disparity between the current 100,000 mile warranty period for heavy-duty vehicles, shown by the green bars, versus their typical service lives, shown by the red bars, which can be as long as 1.2 million miles for Class 8 vehicles. Useful life, shown in blue on the chart, is the period over which the vehicle's emissions control system must remain capable controlling emissions to applicable standards.

The mismatch between warranty and useful life is also significant, with useful life being more than four times greater than the warranty period for Class 8 vehicles. These differences mean that the current minimum required heavy-duty vehicle warranty period is inadequate to ensure that the vehicle's emissions control systems are performing as originally certified.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Based on
warranty claims that manufacturers are required to report, we know that worst case failure rights for recent model year turbochargers are over 100 percent for some manufacturers. This means that there were more reported turbocharger failures in an engine family than there were engines, because some engines had multiple failures during the warranty period.

Other recent model year emissions-related parts, such as diesel particulate filters, EGR systems, and fuel injectors also experienced worst-case failure rates in excess of 40 percent during the warranty period. Even the average failure rates for each EGR systems in turbochargers are unacceptably high, coming in at over 10 percent.

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STAFF AIR POLLUTION SPECIALIST LOWRY: In addition to claim rates, other data indicate heavy-duty vehicles are not conforming to applicable emission standards in-use. For example, approximately two-thirds of the 2012 to 2014 model year vehicles tested by CARB's in-use compliance section since August 2016 have failed in-use testing, even though the vehicles were still within their respective useful lives but outside of warranty.

Staff is pursuing corrective action in these cases, but longer warranty periods could have minimized
the damage from these emissions exceedances. Longer warranty periods provide an incentive for vehicle owners to address defects in a more timely manner, rather than relying solely on CARB's in-use programs to discover and rectify them.

Similarly, CARB's In-Use Surveillance Program found that two-thirds of the heavy-duty vehicles tested since January 2016 comprising model years 2010 to 2014 showed NOx emissions multiple times the current NOx standard, some by more than a factor of 10. Again, these failures all occurred within useful life with approximately 40 percent of the vehicles also being outside of warranty.

These results, together with the high warranty claim rates I mentioned on the previous slide, make it clear that some emissions related parts are not remaining during able in-use and that longer warranty periods are needed.

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STAFF AIR POLLUTION SPECIALIST LOWRY: In California, the current heavy-duty diesel emissions warranty period consists of coverage for five years, 100,000 miles or 3000 hours of operation, whichever occurs first.

This single warranty period covers all heavy-duty
diesel vehicles greater than 14,000 pounds and is identical to the federal diesel warranty period, except that the 3000 hour limit does not apply outside of California. The 100,000 mile warranty period has not changed in 40 years.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Because the minimum emissions warranty coverage is so short compared to the actual mileages that many heavy-duty vehicles travel, many vehicle owners opt to buy extended warranties.

The pie chart on the left is for Class 8 vehicles. It shows that 85 percent of Class 8 vehicle purchasers already buy extended warranties, with 40 percent beyond 435,000 miles.

The chart on the right is for Class 4 through 7 vehicles. About 40 percent of the vehicles in these classes are sold new with warranties beyond 100,000 miles. The high incidence of voluntary extended Heavy-duty vehicle warranties in California makes clear that longer warrant -- mandatory warranties are feasible. However, longer mandatory warranty periods are also necessary to ensure early repairs and emission benefits for all vehicles.

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STAFF AIR POLLUTION SPECIALIST LOWRY: This slide summarizes staff's proposed amendments.

First and foremost, we're proposing to lengthen the mandatory emissions warranty periods for heavy-duty diesel vehicles. We're proposing to eliminate California's 3000 hour warranty limit. We're proposing to modernize the minimum allowable maintenance intervals that manufacturers use to schedule the replacement of emission-related parts. We're also proposing that turbochargers and EGR systems be added to the list of parts that must remain durable through useful life.

And finally, we are proposing to clarify the definitions of a heavy-duty warranted part and a warrantable condition. Each of these proposed revisions will be discussed in further detail in the next few slides.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Under the proposed length and warranty periods, Class 8 vehicles would be covered at 350,000 miles. Class 6 through 7 vehicles to 150,000 miles, and Class 4 through 5 vehicles to 110,000 miles. For Classes 4 through 5, 110,000 mile warranty period equals useful life, the period over which a vehicle's emission control system must remain capable of controlling emissions to applicable standards.
For Class 6 through 8 vehicles, the proposed warranty periods represent approximately 80 percent of useful life.

Staff considered proposing warranty periods equal to useful life for all diesel vehicle classes, not just 4 and 5, but parts suppliers were concerned about not knowing how many more parts would need to be produced and the impact that might have on preexisting contractual agreements with manufacturers.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Next, I'll explain how longer warranty periods translate into lower emissions. An increase in the length in the warranty period for heavy-duty vehicles would incentivize the repair of malfunctioning emissions-related parts that heavy-duty vehicle owners would not otherwise fix if they had to pay out of pocket.

Staff estimates that only 30 percent of heavy-duty vehicle owners fix emissions-related problems outside of warranty. Lengthening warranty means that a large portion of the 70 percent of vehicle owners who do not currently repair emissions-related malfunctions outside of warranty would do so, especially when the OBD malfunction indicator light is illuminated.

Longer warranty periods are also expected to
reduce incidences of tampering and mal-maintenance. There would be little incentive for a vehicle owner to alter or disable an emissions-related part, especially since it could void the warranty coverage.

It's also possible that longer warranty periods may result in more durable emissions-related parts, if a manufacturer chooses to redesign a part rather than pay to replace it multiple times during the lengthened warranty period.

--o0o--

STAFF AIR POLLUTION SPECIALIST LOWRY: A key difference between California and federal heavy-duty warranty requirements is that California regulations include a provision allowing warranty coverage to be limited to 3000 hours of use. Some low-mileage vehicles, such as vocational vehicles, may be operated many hours each day, for example in a power take-off mode, but do not accumulate mileage quickly. The 3000-hour limit was intended to prevent manufacturers from having to provide warranty out to unreasonable lengths for such vehicles.

However, it's difficult to justify the less stringent 3000-hour limit exclusively in California, because manufacturers routinely certify the same vocational vehicles both federally and in California, but without a federal 3000 hour limit.
Therefore, staff proposes to eliminate this option.

--o0o--

STAFF AIR POLLUTION SPECIALIST LOWRY: Next, I want to discuss the relationship between warranty periods and manufacturer scheduled maintenance intervals. In general, manufacturers are required to cover any defects in the design, materials, and workmanship of an emissions-related part under the heavy-duty vehicle warranty regulations.

Manufacturers also determine what maintenance is needed and set maintenance intervals for various parts. For example, a manufacturer might specifies that a certain filter must be changed after 150,000 miles of operation. Vehicle owners are required to perform all maintenance deemed necessary by the manufacturer to keep the emissions control system operating properly. If a vehicle owner fails to do the required maintenance, the warranty can be voided.

If a manufacturer's schedules the replacement of an emissions-related part during the warranty period, the vehicle owner is responsible for the cost of the replacement.

Consequently, the projected emission benefits from staff's proposal could be negated if manufacturers
were allowed to schedule maintenance with no restrictions
during the proposed lengthened warranty periods.

More on this in the next slide.

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STAFF AIR POLLUTION SPECIALIST LOWRY: To protect
the emission benefits associated with lengthening
emissions warranties, staff is also proposing to update
the minimum allowable maintenance intervals for heavy-duty
diesel emissions-related parts. It's important to note
that staff is proposing to change the minimum maintenance
intervals only for parts that the manufacturer schedules
to be repaired or replaced. The minimum maintenance
intervals for cleaning and adjustments would remain
unchanged.

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STAFF AIR POLLUTION SPECIALIST LOWRY: On the
previous slide, I talked about maintenance intervals for
parts that affect emissions. Some parts have the
potential to severely impact emissions, and are so
expensive to replace, that they should be designed to last
throughout useful life.

Currently, California and federal regulations
specify that diesel particulate filter elements and
selective catalytic reduction system beds must last
through useful life or be replaced at the manufacturer's
cost.

As part of these amendments, staff is proposing that turbochargers and EGR systems should be handled the same way. Turbochargers and EGR systems are frequently as expensive or more expensive than diesel particulate filters and selective catalytic reduction systems. And like diesel particulate filters and selective catalytic reduction systems, turbochargers and EGR systems can severely impact emissions when malfunctioning.

Under staff's proposal, manufacturers would only be allowed to schedule turbochargers or EGR systems to be replaced during useful life, if the manufacturer pays for their replacements.

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STAFF AIR POLLUTION SPECIALIST LOWRY: In addition, to lengthening warranty periods and revising maintenance intervals, staff is proposing several other clarifications that affect warranty coverage. First, rather than continue to rely on a specific list of parts in the regulation, which can rapidly get out of date, staff's proposal would clarify the definition of a heavy-duty vehicle warranted part to include any part that can affect the regulated emission of criteria pollutants, as is already the case for light-duty vehicles.

Second, the proposal would clarify the length
between heavy-duty OBD and warranty by adopting regulatory
language similar to that used to link light-duty to OBD to
warranty. Any defect that illuminates the vehicle's OBD
malfunction indicator light would need to be covered.
This change would require coverage for a few parts that
are not currently warranted, such as some sensors.

Staff also proposes to clarify that manufacturers
are liable for replacing defective parts discovered during
service inspections. Lastly, staff proposes to remove a
provision in the regulation that limits warranty to the
first scheduled replacement of an emissions-related part.

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STAFF AIR POLLUTION SPECIALIST LOWRY: The
proposed warranty requirements would only be applicable to
new model year 2022 and subsequent heavy-duty diesel
vehicles greater than 14,000 pounds that are California
certified and registered. Heavy-duty vehicles operating
in California within engines certified only to federal
standards would not be subject to California's lengthened
warranty coverage, nor would staff's proposed warranty
amendments modify greenhouse gas parts-related warranty
periods.

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STAFF AIR POLLUTION SPECIALIST LOWRY: Here are
the costs and savings related to staff's proposed
amendments. Longer warranty periods would ultimately increase the price of heavy-duty vehicles as manufacturers pass on their costs to purchasers. However, vehicle purchasers would recoup much of these costs by not having to pay out of pocket at the time of repairs.

Staff estimates that the average cost of a vehicle would increase by $177 to $752 because of the amendments. This increase -- excuse me. This increase assumes that manufacturers will distribute costs uniformly across entire product lines.

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STAFF AIR POLLUTION SPECIALIST LOWRY: The proposed emission benefits from staff's proposal, as shown in the table are modest, but are a necessary first step towards modernizing heavy-duty -- heavy-duty vehicle emission standards and requirements. The cost effectiveness of the proposed amendments range from approximately $3 to $8 per pound of statewide NOx reduced, and compares favorably to other recent CARB rulemakings.

Furthermore, the proposal would prevent 40 premature mortalities between 2022 and 2040.

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STAFF AIR POLLUTION SPECIALIST LOWRY: As I mentioned earlier, staff is proposing to lengthen warranty periods for heavy-duty vehicles in a multi-step process.
Today's proposal is step 1.

A comprehensive effort to address NOx emissions from heavy-duty vehicles is already underway, and is expected to be brought before the Board for consideration in December 2019. It will address lower emission standards, more representative certification testing requirements indicative of actual real-world driving, and the facilitation of in-use compliance testing.

Additionally, this omnibus rulemaking will likely include a second step of warranty amendments that could possibly increase warranty periods further than those proposed today.

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STAFF AIR POLLUTION SPECIALIST LOWRY: During the public comment period for this item, we received one comment letter that address the environmental analysis prepared for the proposed amendments. CARB staff prepared a written response to the environmental comment, which is appended to the resolution for this item.

Staff recommends that the Board adopt the proposed amendments as summarized on this slide, along with minor changes via proposed 15-day amendments to further clarify the applicability of the lengthened warranty periods to only criteria-pollutant-related parts, and to provide an alternative to full useful life
maintenance intervals for some non-integrated sensors and actuators.

Together, we expect these amendments will help ensure that emission systems continue to function longer in-use.

This concludes staff's presentation. I'm happy to answer any questions at this time.

CHAIR NICHOLS: Are there questions before we hear from the witnesses?

Dr. Sperling.

BOARD MEMBER SPERLING: You know, there's so many -- this is a really -- lots of complicated details here.

CHAIR NICHOLS: Um-hmm.

BOARD MEMBER SPERLING: And I wonder if providing a little context, do we have a little bit of time, like a very mini-tutorial. I mean, I had -- I'll just tell you what my questions are and tell -- you know, one -- so one question is how conceptually or methodologically does this differ from how we treat light-duty vehicles? I mean, not in terms of numbers or time, but are we taking different approaches here, in terms of warranties and so on? Which of these are consistent with EPA? What happens beyond warranty periods? And how does this -- the amount of NOx that we're taking about, the 0.75 to 1.5 tons per day.
That's compared to how many tons of NOx from trucks are there? So, I mean, otherwise, you know, we sit here and it's like -- it's hard to make sense of a lot of these proposals. Is that --

CHAIR NICHOLS: I think those are perfectly valid questions to ask in terms of the context of what we're doing here. And I have to stay that I did not, prior to, you know, reading this over before the Board meeting, I didn't ask all of those questions. I don't know if staff is prepared to answer them at this moment. It looks like they are. I think they know the answers. So why don't we just turn to you and have you provide a little of the background.

MSCD ASSISTANT CHIEF CARTER: Sure. I'll give it a shot here. I think your first question, Professor Sperling, related to how it compares to the light-duty program. It's -- well, that's a pretty broad question, so I don't know exactly what you mean. But in terms of a warranty program, yes, of course, we have a warranty program in place already for the light-duty program in a certain period of time. Like, for example, I think it's five years and 50,000 miles, or seven years and 70,000 miles for high -- for high priced items.

And most recently, it's been updated. I think the useful life now is 150,000 miles, I think. So if you
look at the percentage of the warranty coverage versus useful life, actually it might be a little bit less for light-duty than it is compared to what we're proposing here.

But the other thing to keep in mind is the useful life of light-duty is probably no -- not much more than 150,000 miles. Actually, I should say, the service life is not much more than 150,000 miles. Unlike heavy-duty which gets rebuilt. And as we saw -- as you saw in the presentation, these things can last over a million miles. It's a whole different ball game. These -- they last a lot longer. And so that's why there's a little bit of a discrepancy in terms of the percentage of the -- the percentage of the warranty coverage versus useful life.

The next question I think you had was how is it consistent or inconsistent with EPA?

Right now, the existing warranty period -- the existing warranty requirements are exactly the same as EPA, except for the 3000 hour limit, which the EPA, or the federal government, does not have. We do. The warranty proposals -- the warranty requirements right now have been in place for about 40 years. And I think likewise on the federal level, it's the same thing.

So the only thing different right now is the 3000 hours. And, of course, what we're proposing today would
be -- obviously, make it different.

BOARD MEMBER SPERLING: So everything we're proposing today are -- goes above and beyond what EPA does?

MSCD ASSISTANT CHIEF CARTER: That's correct.

BOARD MEMBER SPERLING: And these are for vehicles registered in California or used in California?

MSCD ASSISTANT CHIEF CARTER: Correct, registered -- yes, certified and registered in California.

The next question I think you had related to the NOx impact. As we saw -- as you saw in the presentation, the benefits from this are modest. We know that. We acknowledge that. Compared to the overall NOx impact in terms of a percentage and what the -- I'm looking at my staff here. I don't know the exact number in terms of the level -- the inventory for NOx for heavy-duty and how it compares, but I can tell you it's very, very small.

BOARD MEMBER SPERLING: Like less than one percent, is that what small means?

MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH CHIEF HEROY-ROGALSKI: I'll look it up.

MSCD ASSISTANT CHIEF CARTER: Yeah, we'll -- we can look it up and find the exact number or get a ballpark number.

BOARD MEMBER SPERLING: And so that's related to
the question what happens after the warranty period?

MSCD ASSISTANT CHIEF CARTER: Well, after the warranty period, if a part fails, then the owner would have to pay for the part to get it fixed just like the light-duty program.

BOARD MEMBER SPERLING: Okay.

CHAIR NICHOLS: It's just a question of who pays?

BOARD MEMBER RIORDAN: Yeah.

MSCD ASSISTANT CHIEF CARTER: I think that was -- I think that was the extent of your question, unless I missed one.

CHAIR NICHOLS: So why don't we go to the witnesses. That at least gives you some background, and then we can perhaps have some questions after that. Let's begin with Mr. Lancaster.

Where is the -- okay. People will speak from the podium here. And that ought to be easy enough to do.

Good morning.

MR. LANCASTER: Good morning.

Oops. We're a Tier 1 supplier --

CHAIR NICHOLS: And there will be -- let's have our usual light system for people to know how much time they have.

Oh, it's over here, so just so you know how much time you've got. Your three minutes haven't started yet,
but can -- you can look over there.

MR. LANCASTER: Okay. Thanks. I'm appearing on behalf of Borg Warner. And we are a Tier 1 supplier to the automotive industry. And in the heavy-duty area, we supply turbochargers and EGR systems that you've heard something about today.

Let me just say, before I go on, that if we had the failure rates that you've heard about, we would not be in business in that area. I mean, you just simply cannot have that kind of failure rate.

In the heavy-duty engine area, costs are substantial, and the costs of having a vehicle out of service are even more substantial. So we strive to provide very durable components that will keep our customers on the road. And since our corporate goals are for clean energy, efficient environment, we very strongly support CARB's goals.

Having said that, there are a couple of issues that I'd like to address. One is we encourage improved implementation of training and diagnostics, and the staff has addressed the issue of OBD.

We'd also like to say that many turbocharger failures are the result of other system failures. And in many cases, the turbo is the victim rather than the cause of a failure. And by that, I mean if you have a poor oil
system, poor oil quality, which can be covered with an oil quality sensor, or lack of oil pressure to the turbo. And we've seen failures because of that.

Also, if you have a plugged oil filter -- or air filter, it will cause a high inlet Delta P, and will result in oil being sucked through the engine. That is a form of failure.

Or if you have no drop in pressure across an air filter, it means the filter isn't there. And as a result, you have foreign debris that come in and impact the compressor and cause wear and failures.

I would also say that if a turbo really fails, the vehicle is on the side of the road. You don't need to worry about somebody replacing it.

The other thing is that we'd also request that reasonable documentation be required for the issue of warranty. In other words, make sure that someone is maintaining their vehicle properly. And I believe that was addressed in the staff proposal, so we would just support that.

Third, we'd like to see the sensors and actuators for turbochargers and EGR valves be treated as other sensors and actuators. In other words, I believe you have 150,000 mile warranty requirement there. And we'd say that would be true where the sensors and actuators can be
replaced easily, in other words, if they're separate items.

If the sensor and actuator is integrated into the part, then obviously the whole component needs to be replaced, and it would be the -- something that would be covered to the life.

And finally, we request that any regulations which are adopted allow sufficient time for suppliers, such as ourselves, to comply. And I believe the date of the regulations is 2022, which at this point is about three years. That may or may not be enough time.

So I would ask that you perhaps might want to reconsider that, and give us four to five years for compliance. The reason being that you're talking about such long life times that a great deal of validation testing is required. It's very hard to simulate something that is a 350,000-mile life.

Thank you very much.

CHAIR NICHOLS: Thank you.

MR. WALLAUCH: Good morning. Steve Wallauch here with Platinum Advisors on be of the Alameda Contra Costa Transit District.

We're here to say, you know, thank you to the staff for all the work they've done on developing this update. And we strongly support the proposal that's
before you, particularly, the elimination of the hours of
operation limits. You know, AC Transit, probably
unlike -- not unlike most transit operators, our buses
travel about on average 12 miles per hour. So you reach
that 3,000 limit basically within 36,000 miles of travel
operation. So this is a major step forward for us, and we
really appreciate the work that's been done and we urge
your support for this rule.

    Thanks.

    CHAIR NICHOLS: Thank you.

    MR. GELLER: Good morning, Chair Nichols and
members of the Board. My name is Michael Geller. I'm the
Deputy Director for the Manufacturers of Emission Controls
Association. MECA represents manufacturers of
technologies that reduce both criteria and greenhouse
emissions from all mobile sources, including
the heavy-duty engines that are a part of this proposal.

    MECA continues to support ARB's heavy-duty
vehicle low NOx rulemaking process. And we understand
ARB's need to ensure that heavy-duty vehicles are meeting
emission standards while in operation, which requires that
emission-critical components are repaired quickly while
malfunctions occur.

    We thank staff for their diligence to critically
consider input from a broad range of the stakeholders
including the component suppliers that I represent in preparation of this proposal. MECA members manufacture durable parts occurring to the specifications demanded by their customers, which are the OEMs that make the engines and vehicles.

Suppliers though do not have the full extent of parts failure and durability information that is available to the OEMs through their dealer networks, which makes it difficult for the suppliers to project the number of warranty claims due to an extended warranty period.

MECA appreciates therefore the really significant effort that ARB staff have done with this to understand the complexity of these issues, and incorporate suggestions from the supplier industry. We thank ARB staff for setting and intermediate stage of warranty life at 350,000 miles for the heavy-duty -- heaviest of the heavy-duty trucks, which will allow emission control technology suppliers better understand the economic impact of longer warranty periods on their business.

Some -- uh-oh, my time never started, but -- okay.

Repair shops under -- are under extreme pressure to fix malfunctioning vehicles so that the owner can return those to service very quickly. So suppliers sometimes receive parts back during this process under
warranty, and they have to conduct a postmortem analysis to determine the route causes of failures, and also identify valid warranty claims. So that process requires significant time and resources.

I'd also like to note that the longer warranty requirements could have a negative impact on aftermarket parts. Manufacturers -- just because aftermarket parts may not be installed on the vehicles that are currently under warranty. A longer warranty period may result in a decrease in the availability of certain aftermarket parts.

Lastly, I'd like to -- well, second to last, I'd like to say that we do request that ARB think about considering retention of the hours limit for vocational limits that operate for thousands of hours prior to the mileage or five-year time threshold. An updated hours limit could be set proportional to the increase in the current mileage requirement. So that would be roughly 10,000 hours instead of the 3000 hours that's currently on the books.

Lastly, to achieve the long-term emission reductions, MECA supports the adoption of comprehensive inspection and maintenance program to ensure that these emission controls are maintained, remain on the vehicles, and function properly to deliver the expected emissions benefits.
In addition, MECA recommends that ARB explore the possibility of licensing repair shops and instituting record keeping requirements during the warranty process. This would help provide information to suppliers so that they can understand failure modes better and make more durable parts.

Just to conclude, we fully support the low NOx rulemaking process that's going on and will be continuing throughout the next year. And we look forward to working with staff on that, and to continue the reach your air quality goals.

CHAIR NICHOLS: Thank you.

MR. GELLER: Thank you very much.

MR. BLUBAUGH: Good morning. My name is Tim Blubaugh. I'm with the Truck and Engine Manufacturers Association, or EMA. EMA member companies manufacture heavy-duty engines and medium- and heavy-duty vehicles in which those engines are installed.

Accordingly, EMA has a direct and significant interest in the proposed amendments to California's emissions control system warranty regulations, and maintenance provisions for model year 2022 that are before the Board today.

First, I would like to say that EMA sincerely appreciates the work of ARB staff in developing the
proposed amendments over a nearly two-year period. Throughout that thorough rule development process, ARB staff have responded to EMA's comments and concerns in a cooperative manner, which has led to improved draft regulatory language.

Moreover, we appreciate the additional modifications that staff is proposing today to further clarify several elements of the amendments.

Nonetheless, EMA has a number of remaining concerns. First, we believe the proposed amendments should be deferred, so that they are components of a more comprehensive set of heavy-duty low NOx regulations that ARB staff are preparing for presentation to the Board at the end of 2019.

Extended warranties and maintenance intervals can be evaluated in a much better light after the applicable future emission standards, and the components of future emission control systems become more fully known.

In that regard, EMA cautions the Board to consider whether other elements of ARB's planned low NOx and OBD programs are likely to threaten the viability of heavy-duty diesel engine sales in California after 2022.

For example, EMA estimates that the proposed warranty amendments may add up to $4,000 to the cost of a heavy-duty diesel engine sold in California. In addition,
the anticipated OBD amendments that are scheduled for a Board hearing in November could add another $7,000 to the cost of an engine. Those significant cost impacts are before considering the per-engine costs, and -- of other elements of ARB's comprehensive low NOx program.

Additionally, ARB should make clear in the final regulations that any warranty claims for parts that are covered by extended warranties, that is manufacturer warranties that go beyond even CARB's extended regulatory requirements, will not be included in calculating warranty claim rates for the emissions warranty reporting and recall purposes.

Further, ARB should commit to work with EMA and its members to develop a list, at least in general terms, of the relevant parts that may be needed to be covered under and emissions warranty because they can cause the OBD malfunction indicator lamp to illuminate.

EMA appreciates the opportunity to comment on the proposed amendments and is greatly appreciative of staff's collaborative and cooperative efforts in this rulemaking process.

Thank you.

MR. MAGAVERN: Good morning. Bill Magavern with the Coalition for Clean Air in support of the proposed amendments.
As the staff presentation made clear, this proposal is part of a suite of measures that are necessary to reduce pollution from heavy-duty vehicles. And we know that that pollution is responsible for a major amount of the smog and particulate matter that continues to plague our communities. So while this measure in itself is fairly small, it's part of a suite of measures and complements those others, which we hope will include a new low NOx standard for heavy-duty vehicles, a zero-emission truck standard, and if the legislature cooperates, a comprehensive inspection and maintenance program for heavy-duty diesel vehicles.

This proposal that you have this morning raises the question of whether we need to update our warranty standards. And we think it's clear that the current standards are outdated and insufficient to the task of assuring that emission controls will work over the long term.

If we have manufacturers who are selling and profiting from vehicles that will go 800,000, a million miles, then isn't it fair to ask them to warranty the emission systems for 150,000, or 350,000 miles, as this proposal would have it. And as the Chair indicated, the question really is who pays? So if the emission systems fail during that period, should it be a transit agency...
that has to pay to fix them, or should it be the
manufacturer? And we think that it's definitely fair to
ask the manufacturer to bear that extended warranty.

Thank you.

CHAIR NICHOLS: Thank you.

MR. TUNNELL: Good morning. My name is Mike
Tunnell. I'm with the American Trucking Association, a
national trade association representing the U.S. trucking
industry.

I'm sure all of you have experience with extended
warranties, and can appreciate the dilemma buyers face
when deciding whether or not to spend the money. That's
the crux of our concerns. We are hearing from our members
in the staff report that today buyers can choose to
purchase extended warranties for several thousand dollars.

In contrast, the proposal before you today
estimates extended warranties will cost only a few hundred
dollars. These numbers don't lineup. And in discussions
with staff yesterday, the reason they don't is because
this proposal assumes that those buying today will be
subsidizing those who do not purchase today. And in the
future, the cost will be a few hundred dollars. You can't
buy an extended warranty today for a few hundred dollars.
It's several thousand dollars.

So we believe the cost will be higher than what
is being presented to you today. And in the worst case, buyers will have to pay for services they will not use.

There are trucking companies all over California that are out there competing every day. They operate on the slimmest of margins. These types of unique costs, while some may -- to some, they may seem trivial, make it even harder for them to compete.

We talked last month about the burden of reporting. So it's just kind of the cumulative effect of all of these costs. So we ask you to reevaluate the cost benefits of this proposal, and consider what can be done to reduce the regulatory cost before you today.

Thank you.

MR. BARRETT: Good morning. I'm Will Barrett with the American Lung Association. Thank you for having the conversation here today. Californians face the most difficult air pollution challenges in the United States with the transportation sector representing the largest source of harmful pollutants that affect public health.

The Board's legacy of strong effective clean air programs has driven down these harmful pollutants, and the negative health impacts associated with them. But we know we still have a long way to go to assuring that all Californians breathe clean air especially in our most disadvantaged communities, and those most vulnerable to
So Lung Association strongly supports the Board's efforts to ensure that all the vehicles on the road are attaining their designated standards, in-use, on-road, and that the performance of all vehicles, and especially in the heavy-duty sector is contributing to a clean air future for all Californians.

The proposal before you today and the measure adopted last month on the Periodic Smoke Inspection Program both go a long way to ensuring emission controls are maintained and functioning as intended over the full life of the vehicle. As we saw, the standard today is being updated. It's been outdated for too long, and we need to make sure that we move forward.

Simply put, the proposal adds assurances that our air quality programs and our long history of progress on air pollution controls are successful over the long term to protect public health in all corners of California.

I wanted to also thank Mr. Carter and the team for your work on this important effort and look forward to working with you on the full suite of programs coming forward through the end of next year and beyond. There's a lot of work to be done, and we look forward to working with you on that.

So thank you very much.
MS. McGHEE: Hi. How many of you know that commercial vehicles have no lemon law, and that we have no consumer protection by the Bureau of Auto Repair and the Auto Repair Act?

The heavy-duty useful life is beyond the warranty period, and the useful life. And the consequences is higher emissions. And it requires more changes to better reflect the usage of modern vehicles. This is true, and this goes across all medium-duty and heavy-duty classes of the vehicles.

Warranty support is necessary for expensive parts. The majority of transportation in fleets is made of small businesses. And without more warranty support by this proposal, the repairs are expensive and have adverse impacts to the fleets when trying to manage repair costs of expensive parts.

Duty cycle challenges exist and are not supported by all locations, especially for those of us in traffic. The DPF is challenged by stop-and-go driving behavior.

I support this proposal and request the Board to take into consideration how different diesel technology is to ZEVs. Diesel has been reliable for decades. This Board is creating incentive programs and vouchers to accelerate the adoption of ZEVs. Therefore, ZEVs require the same measures currently. And therefore, there is no
health code standard for ZEV vehicles when they fail. You have to go back to a diesel vehicle, which creates the consequences of admissions. And so more improvements like this is necessary for all technology.

CHAIR NICHOLS: Thank you. That concludes the list of witnesses that had signed up to speak. And so I think I can close the record at this point and proceed to Board discussion.

Yes, Supervisor Serna.

BOARD MEMBER SERNA: Thank you, Chair Nichols.

So the gentleman from the Trucking Association mentioned an obvious difference in what he sees, and what his association sees as a cost relative to the extended warranty. I'd like staff to address that. I know that we had a slide - I believe it's slide 20 - that references what the average additional capital costs are. But I just feel it's important not to keep that lingering out there before we hear from other Board members and take a vote. Maybe explain some of the assumptions behind that.

MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH CHIEF HEROY-ROGALSKI: I can do that. Yeah. Thank you. Thank you for the question and thanks for the opportunity to clarify that.

We did speak with Mr. Tunnel yesterday. And unfortunately, I think we may have not come to a complete
understanding. So the situation is that many truck buyers currently already opt to buy extended warranties already out to 350,000 miles or well beyond that, as shown in the pie charts, that the form was kind of messed up on. They're correct in your printed slides.

Eighty-five percent of Class 8 truck buyers, for example, already buy extended warranties out to that length. So for people in that category that they're already buying those longer warranties, this isn't really going to present a cost. It would just -- it would just kind of look different on the invoice when they buy a truck.

Instead of having, you know, the cost of the truck and then the cost of an extended warranty, the cost of that extended warranty will just be built into the cost of the truck.

But then you've got the other set of people, maybe 15 percent, who aren't buying longer warranties, who are just sort of living with the 100,000 mile warranty. And those are the ones where we're concerned that those trucks, when something breaks, those repairs may not be getting made in a timely manner, and that's where we want to see those repairs get done quicker and that's where we'll reap emission benefits.

And for folks in that category, Mike Tunnell is
correct, they are going to see a significant increase in the amount they need to pay for a new truck. In essence, what we're doing is ensuring that people sort of buy an insurance policy when they buy a truck. And if you're going to buy a truck, you need to set aside enough money to cover the repairs, so that those emission controls will function throughout the time you're actually using the truck.

Those emission control systems are super effective, if they're maintained well. And we're relying on them to keep the air clean, so we need to do everything we can to make sure those systems are well maintained.

So hopefully -- and so the several hundred dollar figure that Mr. Tunnel referenced was -- when we took a look at, okay, what is this -- what cost does this measure impose sort of on average for all truck buyers? If we average those costs over the population of trucks, it comes out to like $200 to $700 per truck, which sounds -- you know, sounds small.

But we're not contesting that for folks who would currently buy a truck and not purchase the extended warranty that the cost increase would be greater than that. We're just arguing that we think overall societally it's worth it, and we think we should -- we should have that requirement, and manufacturers should be required to
cover those repairs and really truly ensure that the systems work throughout the useful life of the truck.

Hopefully, that made more sense.

CHAIR NICHOLS: There's a question. Dr. Balmes, yeah.

BOARD MEMBER BALMES: Just piggy-backing on that question and response. But aren't the people that currently are not buying the extended warranty probably the ones that Mr. Tunnel was referring to, that are probably on the margins if they're smaller companies. Probably the larger companies are buying the extended warranty? I'm just asking.

But it seems like those particular trucking firms that are not buying the extended warranty now who will have this increased cost are probably the ones that are more marginal, but I don't really know that.

MSCD ASSISTANT CHIEF CARTER: I don't -- I don't know if we have that break down to be frank. I don't know.

MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH CHIEF HEROY-ROGALSKI: But intuitively, you're probably -- you're probably right. But what's been interesting is we've done the workshops on this measure over the past couple years. We've heard concerns from ATA that, you, know largely represents larger trucking firms, and we've
heard more support from smaller fleets. And I think it was Western States Trucking Association expressed support for this verbally at a couple of the workshops, because what they're seeing is as -- you know, as we've required these trucks to have this more complicated technology, they're seeing their maintenance costs skyrocket, and just the complexity and amount of effort they have to put to taking care of the trucks go up.

So when they heard, hey, the Air Board is going to make sure that the manufacturers build more durable systems and stand behind their products, they were like yeah. So I think -- but nonetheless, it is true that having to pay more for a truck is somewhat of a burden, and will probably be a heavier burden for people that were struggling more to pay for the truck.

BOARD MEMBER BALMES: That was a helpful response. Thank you.

CHAIR NICHOLS: Yes, Ms. Berg.

VICE CHAIR BERG: I also would just like to piggyback to make sure that we have understanding. Wouldn't the extended warranty however being purchased on a new vehicle have other systems that -- transmission and other operating systems that isn't covered by the warranties that we're talking about here?

MSCD ASSISTANT CHIEF CARTER: Well, right now,
the warranty -- the warranted parts right now are based on
a -- an established list. And part of the proposal that
we're doing today, we're making it consistent with the
light-duty program. We're not only going to rely on that
list, but basically anything that illuminates the mill on
the OBD system. And so it will cover anything that's
related -- anything that's emission related or can cause
an emissions increase would be covered.

VICE CHAIR BERG: Okay. Thank you.
CHAIR NICHOLS: Yes. Dr. Sperling, back again.
BOARD MEMBER SPERLING: I'm -- I mean -- I'm
struggling a little to just get my head around how this
all works. You know, the basic concept seems correct, you
know, that these trucks are lasting a long time. And we
want to make sure the manufacturers are building more
durable, better technology.

So the basic thrust makes lots of sense. I'm
still struggling though to just understand what we're
actually doing here. So I should know this, but why -- so
after the warranty period, then why or how do trucks have
to replace technol -- you know, components that break
down?

We have the simple smoke opacity test. Is there
anything -- how do we make -- why do they have to -- why
do they have to fix them?
MSCD ASSISTANT CHIEF CARTER: Well, to be frank, if it doesn't cause a performance problem with the truck, that truck driver will drive for as long as they can possibly drive. However, if the turbocharger does fail, for example, or the DPF gets plugged up, that truck driver is going to have to come in and get that thing fixed, otherwise you won't be able to drive it. And so that's one mechanism, of course, how it will get fixed.

But you're right, I mean, there are other examples where there won't be a performance issue, and the emissions will be, you know, 10 times or even greater than what the emission standards should be.

BOARD MEMBER SPERLING: So that's why I'm struggling with this idea. Why is there so little benefit from this? Intuitively, I would think -- I mean we all see these trucks and buses out -- you know, like inner-city buses out there that occasionally are belching black smoke. And there must be a high -- you know, we always talk about super emitters, but there must be a lot of emissions out there that are not being reduced.

MSCD ASSISTANT CHIEF CARTER: That is very true. One of the reasons why for this particular item that the emissions benefits are modest is because as Kim suggested earlier, that a lot of the truck drivers already purchased extend warranties. So we're only taking into account
those that do not purchase extended warranties today.

BOARD MEMBER SPERLING: But these extend -- so

the life of these vehicles is so long -- so the extended
warranties go out -- how far do they go out for a Class 8
truck, for instance?

MSCD ASSISTANT CHIEF CARTER: They can go out to

350, some even go to as far as a half a million miles

BOARD MEMBER SPERLING: But these trucks are often

well over a million miles --

MSCD ASSISTANT CHIEF CARTER: That's correct.

BOARD MEMBER SPERLING: -- and I think in turn,

the numbers I think it said rebuilt -- they're rebuilt

after one million on average.

MSCD ASSISTANT CHIEF CARTER: Right.

BOARD MEMBER SPERLING: So these trucks, some of

them out there are for millions of miles.

MSCD ASSISTANT CHIEF CARTER: Yes.

BOARD MEMBER SPERLING: So we're -- basically,

we're not doing anything.

MSCD ASSISTANT CHIEF CARTER: Well, that's

where -- that's where Cart our omnibus measure next year

comes into play. We're really aimed at real-world in-use

emissions. And that's where we plan to over -- overhaul

the entire in-use compliance program we have in place now

to catch more vehicles out there in the field, which are
real world.

Plus, we're also considering next year proposing new useful life requirements, which would extend the useful life beyond 435,000 miles, as it is today for Class 8s. So that will also help us.

So that means if we increase -- if we increase the useful life out to say -- I'm just throwing a number out there -- let's say 800,000 miles, that means those trucks will be required to maintain and attain the emission standards out to that period of time, rather than the 435,000.

CHAIR NICHOLS: If I may.

MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH CHIEF HEROY-ROGALSKI: And one piece --

CHAIR NICHOLS: Excuse me. Go ahead.

MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH CHIEF HEROY-ROGALSKI: Can I just add one comment.

CHAIR NICHOLS: Yes, you may.

MSCD MOBILE SOURCE REGULATORY DEVELOPMENT BRANCH CHIEF HEROY-ROGALSKI: I'm sorry to interrupt.

Another thing to consider is just -- just imposing requirements on the manufacturers via certification and in-use requirements probably isn't going to be enough. We've kind of done all we can last month to tighten up our Smoke Inspection Programs, but there will
definitely be additional emission benefit if the legislature does choose to direct us to develop a heavy-duty inspection maintenance program.

And that -- you know, that could take care of the operation that's occurring beyond the warranty period.

CHAIR NICHOLS: So if I may, at this point, try to wrap this item up. It is part of a larger series of actions. If there's anything I was going to criticize, I would criticize the staff for -- it would be for bringing them to us piecemeal like this, because it is hard to focus on one at a time.

But I think it's sort of surprising actually that there's as little excitement about this issue as there is out there. And frankly, I think the reason is that it's been expected for a long time, and it has been foreshadowed as a part of the bigger effort that's underway here.

Obviously, we have a lot of actions focused on these particular vehicles. They stand out as the biggest source of our problem. This is not going to be the thing that shifts it completely -- it's -- I think everyone would concede, it's a piece of the puzzle though. And I would hate to see us not move ahead on it, if members are otherwise ready to go.

So with that, I think --
BOARD MEMBER SPERLING: Can I add?

CHAIR NICHOLS: Yes.

BOARD MEMBER SPERLING: Could I add -- you know, following up on what you just said, the one -- someone raised a question about, you know, there are these additional actions coming, and our -- is this going to be incon -- you know, create some kind of inconsistency. And the ones that stand out as important actions would be the OB -- the new OBD and the low NOx rules that are forthcoming. So I assume you've thought this all through and -- but, you know, just reassure us that --

(Laughter.)

BOARD MEMBER SPERLING: -- that you have thought it through.

CHAIR NICHOLS: Maybe this should move to a different level here really. And we should talk to Mr. Cliff about this one.

DEPUTY EXECUTIVE OFFICER CLIFF: Well, I think as you say, we're -- we're trying to take a holistic approach in a somewhat piecemeal way, which is why we had a set of slides that was trying to address that particular issue. But yes, in terms of the bringing forward more requirements on OBD, for example, that is something that we're looking to do later this year.

BOARD MEMBER SPERLING: So there's no concern
that it's going to somehow, in ways I can't even imagine, change some of these proposed rule changes here, affect them in someway that --

DEPUTY EXECUTIVE OFFICER CLIFF: Well, I think, what staff has been trying to say is as we're developing this more omnibus program, there may be other changes to the warranty or to these other provisions.

As part of that, we're also looking at the low NOx standard, and developing what that standard will -- will be for the future. And so bringing all those together in that one rulemaking will be really important. In the meantime, there are pieces where we think we can get advantages today.

And we don't think it's worth waiting for all of that to be figured out in a year and a half to bring that forward. We think it's important to kind of take some of these steps in the interim. And to be honest, as you heard from industry and the staff's response, we've been pushing pretty hard. We're trying to obviously push the industry farther. We made some changes, and kind of backed off in response to those concerns that we heard from industry.

If we had -- if staff had their preference, I think they would have pushed much harder. They would, you know, change useful life to a much higher number, and
change the warranties to a much higher number, but that
would have been too far too fast at this point. So we're
working on doing that for the future.

BOARD MEMBER SPERLING: Thank you.

CHAIR NICHOLS: Okay. Do we have a motion and a
second?

BOARD MEMBER RIORDAN: Madam Chairman, I would
like to make a motion, because I think there's a lot of
good logic in this as a beginning. And I would approve --
like to make a motion to approve Resolution 18-24.

CHAIR NICHOLS: Okay. And do we have a second?

BOARD MEMBER SPERLING: Second.

CHAIR NICHOLS: All right. Second.

All in favor please say aye?

(Unanimous aye vote.)

CHAIR NICHOLS: Any opposed?

Any abstentions?

Very good. Thank you. Thank you.

So these are tough -- they are tough issues. It
gets beyond what we normally deal with in the areas of
technology, and regulation, but I think it's a -- it's a
key part of our program. So thanks, all.

Okay. Moving along here. We will next take up
an update on AB 617 and the Community Air Protection
Program. So a shift of personnel here in the front.
This item deals with efforts to reduce air pollution and improve public health in parts of California that bear some of the greatest burdens of air pollution.

Could I get you to be a little less chatty, while we are taking out seats here.

(Laughter.)

CHAIR NICHOLS: Thank you. This discussion today is an important touchpoint in building a new community focused program. I know that the staff is looking forward to discussion and input from the Board on several key program elements, but there is no action that we're actually being called upon to take today.

So I will now turn it over to Mr. Corey to introduce the item.

EXECUTIVE OFFICER COREY: Yes. Thanks, Chair. And over the last nine months, staff has been drawing on the expertise of community members, air districts, industry and other partners who are helping find a more effective way to deliver emission reductions at the community level. We made a lot of progress.

Earlier this month, staff released a draft program blueprint that contains guidance and requirements for community identification and selection, Community Emission Reduction Programs, and community level monitoring. The blueprint also contains proposed
strategies to benefit highly burdened communities throughout the state.

We've also recently announced the list of community organizations that have been awarded grants to engage closely in the 617 process, and build capacity to become active partners in reducing air pollution in their neighborhoods. And in today's update, staff will focus on two important aspects of the program: Selection of communities for targeted action in the first year of the program, and the proposed statewide strategies.

Staff will also highlight the important work that will be supported through the community assistance grants. Based on today's Board's discussion and feedback from our continued outreach, staff will return to the Board in September with an updated version of the blueprint, and a recommended list of first-year communities for consideration.

I'll now ask Karen Magliano, Director of our Office of Community Air Protection to give the staff presentation.

Karen.

(Thereupon an overhead presentation was presented as follows.)

OCAP DIRECTOR MAGLIANO: Good morning. And as you heard what we wanted to do today was provide a little
bit of update on ongoing progress with the program, and
especially one more chance to have a touch-base with the
Board and public testimony before you have to make those
very important decisions coming forward in September.

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OCAP DIRECTOR MAGLIANO: So as you heard, we have
made a lot of progress since we were last in front of the
Board in March. Earlier this month, we released, as you
heard from Richard, the draft blueprint for the program,
which is really laying out staff's proposals for how you
do effective air monitoring, what the requirements and the
process for developing Community Emission Reduction
Programs are, the types of statewide strategies that we
need to benefit these most impacted communities, and of
course, the process for selecting those communities
themselves.

We also, as you heard recently, announced grant
recipients for the Community Assistance Grant Program.
And that's a really exciting element of this program, and
Veronica is going to talk a little bit more about that.

We've also been continuing to receive nominations
for communities that should be considered as part of the
program. And also back in April, your Board approved some
modifications to the Moyer Grant Program, so we can more
specifically target and make those investments in
communities themselves.

And I should also point out that as part of releasing the draft blueprint, because there are proposed new actions that are included as part of that, we also have a draft Environmental Assessment that was released and is out for public comment as well.

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OCAP DIRECTOR MAGLIANO: So as we've been sort of pulling together and developing all these different pieces of the program, we've really been trying to think through how do we capture and infuse within the program what a true community-oriented program looks like.

And the slide on the right-hand side, the graph here, really illustrates why we need this program. This is something that we showed when we first came to the Board back in October. This happens to show trends in diesel particulate matter, comparing what we're seeing happening in disadvantaged communities compared to other communities within the state.

And as you can see, we've continued to make very significant progress in reducing diesel particulate matter. But there are still inequities, and there are many disadvantaged communities that are still seeing much higher burdens of diesel PM, other criteria pollutants and toxic air contaminants.
That means we need to look and find ways that we can make sure we're directly reducing and addressing pollution within those most burdened communities. But part of this really goes beyond just we're narrowing a geographic focus, and needing weave, you know, how we do that community-focused action itself.

So part of it, and a very important aspect of this, is, you know, how we work directly with communities, and that they are active partners with us in developing solutions for their communities. We all have knowledge and expertise that we can bring to the table, and so we think it's critically important that we continue to do this as a collaborative process.

The other aspect of it is, you know, making sure that AB 617 and the Community Air Protection Program is not this siloed stand-alone kind of program, but looking at ways we can make sure we're integrating both our programs, and the different program authorities that we have, and leverage them to have a more effective program overall.

And then the last piece of this is continuing to work very closely with other agencies that have roles and responsibilities, and are part of the communities themselves.

So one aspect of this, of course, is land use and
transportation agencies, because many of the decisions that they make do impact the emission levels and the air pollution levels within these communities.

We've also had a lot of discussion about how we can foster some relationships with public health agencies as well, and how they might be able to collect more data and track, you know, translating our improvements in air quality ultimately to improvements in public health within these communities, and the fact that we're going to have much more granular data that they may be able to take advantage of.

And then the last one I just wanted to point out that has often come up frequently is schools themselves. Oftentimes schools are a sense of community. They have our most vulnerable populations that we're trying to protect, but they're also our future community scientists that we really want to foster and grow as part of this.

So obviously, this is -- this is exciting. This is ambitious. This is challenging. We know it's going to take time, as we continue to build the Program, but hopefully a very important step forward.

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OCAP DIRECTOR MAGLIANO: So what we wanted to focus on today, you know, there are many different parts and moving parts of the overall program, but really talk
about three core elements that are fundamental to the program itself, and some of the decisions that the Board will need to make in September.

So part of that is how we do foster that community engagement and the community partnerships; that important process of identifying and selecting which communities we address first year of the program, knowing that we'll continue the add communities over time.

And the last part is how we develop those community-focused strategies, so we can be delivering benefits. So with that, I am going to kick it over to Veronica who's going to talk more about the community partnership aspects.

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ASSISTANT EXECUTIVE OFFICER EADY: Good morning. I'm happy to be here and give you this what I think is an exciting presentation as we move forward towards September.

So in terms of community engagement, we started out with our standard workshops and, you know, at a very high level trying to just get information out there about what we were planning to do. Workshops. We had teleconferences that had 70 or more people. We shifted though, and we found after the -- at the draft concept paper, it was time for us to pivot and become a little bit
more intimate with the communities that we're considering. So since that time, we've shifted to smaller more intimate groups, oftentimes at the invitation of community-based organizations. I would say 10 people or fewer in some of those meetings. But as you'll see in the next few slides, we also started having tours. And we're really grateful to the environmental justice groups and community-based organizations who took the time out of their days to show us where they're working, and experience communities the way that residents live in them.

We started out with a tour of the L.A. freight corridor going from the refineries and the ports all the way into San Bernardino and Jurupa Valley to see where the warehouses and distribution centers were. We spent two days with them. And I'm going to try to mention the groups who hosted us. Although, I'm sure I will leave some out. So I hope that they those left out will forgive me.

But on this particular slide, we were really grateful to the Moving Forward Network, and their members like Communities for a Better Environment, East Yard Communities for Environmental Justice, and the Community Center for Action and Environmental Justice, who spent two days with us showing us where they live and work.
ASSISTANT EXECUTIVE OFFICER EADY: Next slide is
the San Joaquin Valley. And we've had a few tours of San
Joaquin Valley, including the oil fields of Southern Kern
County, and Bakersfield area. And more recently, we had a
tour of Fresno, which was really illuminating for me, in
particular, since most times when I go to Fresno, it's to
meet with the air districts.

So I got to see how people and the disparities in
Fresno. Also grateful, we had some Board members join us
there, Dr. Sherriff and Mr. Eisenhut. And we hope going
forward that other board Members who are interested will
join us on some of our tours.

In San Joaquin Valley, we -- just one more
second, Karen. I'm sorry. I wanted to mention the
Friends of Calwa, the Central California Environmental
Justice Network, the Central California Asthma
Collaborative, and the Central Valley Air Quality
Coalition, who hosted us. And as I said, there were
probably others that I'm forgetting

ASSISTANT EXECUTIVE OFFICER EADY: Next slide
is -- reflects photographs from a trip that we took to San
Diego. And in San Diego, we met with port communities in
National City and Barrio Logan. We had a tour of the port
as well. And we toured the San Ysidro port of entry. And we're grateful to the Environmental Health Coalition and Casa Familiar for showing those to us.

We're really interested in addition to reaching communities that don't necessarily have the infrastructure, the environmental justice infrastructure, a network of community based organizations. So we're looking forward to more tours reaching those communities perhaps in the Northern San Joaquin Valley. We're also scheduling something for the oil fields of Los Angeles.

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ASSISTANT EXECUTIVE OFFICER EADY:  The next slide -- and I'll transition here to our community air grants. You heard Karen, and both Karen and Richard mention these grants, which are a big part of the implementation of AB 617. We put together this program out of whole cloth, which was kind of a amazing. And while we didn't have the time to get a full public commentary on our solicitation because we had to move fast, as most of this program does have to move quite fast, we did have the benefit of consultation with people in private philanthropy who are working in the environmental justice space, who helped us put together our solicitation.

The legislature, as you will recall, granted a
portion -- appropriated $5 million for the first round of
grants. We were oversubscribed by four-fold, so we had
almost $20 million worth of applications, 65 of them all
together.

We put together a panel of reviewers that was
intergovernmental, so it reached outside of ARB and
included other agencies as well, as I mentioned, people in
philanthropy. We left the competitive solicitation open
for 52 days. And on June 6th, we announced the
prospective awardees.

We covered a broad geographic region. As you'll see from the map there, we reached urban, we reached rural, we reached the border region, ports, as well as three indian tribes were granted grants.

And to give you an idea of what some of those grants involved, we have a grant proposed to the big pine
Big Pine Paiute Tribe of Owens Valley. They're planning to put together monitoring, engage schools, have the school flag program, where the students monitor the air quality and raise the flags three times a day.

Also, some of the tribes were planning to put together a tribal air monitoring network. So even though other tribes may not have been funded, they're reaching out to other tribes in their region to take part in a tribal air quality network.
ASSISTANT EXECUTIVE OFFICER EADY: We have a grant that we've proposed to award to Communities for a Better Environment and some of their partners. They're reaching across the state of California. So as well as -- in addition to where we might know them in Richmond, they're also -- Richmond and Rodeo, they're also reaching out to communities in L.A. County including Wilmington. And they're doing building awareness, and building air quality literacy.

So we have grants on the higher end that are going to community air monitoring networks, but also on the lower in meeting communities where they are, and teaching them about what ARB does, and what is, you know, democracy. How do you engage?

So we're also excited about those grants. And we feel like that's going to be really important to the next round and the coming rounds, especially for communities that are ultimately selected by you at the end of September.

The third one I wanted to mention is the L.A. youth -- the Legacy L.A. Youth Development Corporation. This grant is unique in that it is focused in public housing Ramona Gardens, in the Boyle Heights neighborhood of L.A. It's dealing with a proposed natural park at
Ramona Gardens that's being built, and they're going to be putting together a list of pollution reduction measures that they can include in the building of this park.

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ASSISTANT EXECUTIVE OFFICER EADY: So to summarize. Our grants covered a number of things from increasing residents' awareness and their engagement, putting together action plans, which is a big part of AB 617, and training people to have the capacity to be involved in that, providing technical training, involving students, as I said, and finally the running of community-led monitoring systems.

So with that laying the foundation, I'll pass it back to Karen.

OCAP DIRECTOR MAGLIANO: Thanks.

So this is exemplifying a very collaborative effort across the Board in developing this program. The last piece we just wanted to talk a little bit about in terms of that community engagement and community partnerships, is as we get to individual communities and are putting together what kinds of community monitoring is needed, as well as the Community Emission Reduction Programs themselves, that this be a very collaborative process with the communities.

And so we've proposed establishing community
steering committees that the air districts would convene, but bring in a very inclusive group within that community to work together to identify what needs to be done.

The other aspect of this is bringing in, as we talked earlier, the other agencies that often are going to play a very important role in coming up with solutions and having those discussions. And so that would include the local land use, transportation, planning agencies for example, local health departments, academics, and the local schools as well.

This is something we know we'll continue to have a lot of discussion about really defining the roles and responsibilities. But again, very much want to make this a collaborative process where we're working very closely with communities together to come up with solutions.

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OCAP DIRECTOR MAGLIANO: So one of the very important things, tasks, decisions that the Board will need to make in December is coming up with, you know, what is that list of communities that we start with in the first year of the program?

And so in order to inform that process, we've been seeking nominations both from air districts, as well as from communities, and community-based organizations themselves. And the map on the slide here illustrates the
vast scope of community nominations that we've received so far. In many cases, one of those individual dots represent a city with multiple communities embedded within it.

So, you know, overall, we have received hundreds of nominations of different communities that would like to be considered as part of the program overall. But we also know that as we're starting this program, you know, this far exceeds the capacity to really be successful in the first year of the program.

There is a very short time frame for pulling together the initial monitoring, and the Emission Reduction Programs The monitoring has to be in place by July of next year. The Emission Reduction Programs by October. So we want to make sure that there are communities that are really ready to go, that we have a good understanding of what the nature of the problem is, so that we can jump in and really develop some meaningful solutions for those communities, but also the time to develop the relationships with the community-based organizations, and the community members themselves.

And so with that in mind, as staff, we are recommending that we start with a fairly small number of communities, and probably something up to 10 or so.

We expect that, in many cases, these will be
communities that will have a combination of both air monitoring, and Emission Reduction Programs, but that most of these would have an emission reduction component associated with them, because that's really where we're focusing on is those actions to improve air quality.

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OCAP DIRECTOR MAGLIANO: So then the challenging part, of course, is how do we move from 10 communities in the abstract to 10 very specific communities that we recommend to the Board in September?

So we've been looking at, you know, what kinds of considerations or factors can help us in that process of coming up with the recommendations.

Part of that is, you know, wanting to have some good geographic diversity across the State, because it helps buildup capacity, not only within local air districts, but also within community-based organizations themselves, in terms of participating in the process, but also having a good mix of different pollution sources represented by these communities, because that will help us start developing strategies, in many cases, that can also benefit communities that have similar air pollution challenges, as well as approaches that are effective overall.

So the local air districts have been doing a lot
of work to -- within their local region, and based on
their local knowledge and understanding, coming up with
some priorities to recommend to us, which they will be
doing over the next month.

But there's also been some really good work that
has been done by local community-based organizations. For
example, in the San Joaquin Valley, there is a
collaborative of all of the EJ organizations together that
have often gone through a very thoughtful process of
coming up with recommendations that we should consider.

The other aspect of this, of course, and we've
been asked this, you know, very frequently is what is a
community? What is the size of what we are looking at?

We know that there's not one uniform size that we
want to look at, but probably smaller, rather than larger,
for a number of reasons. One it, I think, allows us to
focus down on what types of sources are really
concentrated within communities, and are causing those
disproportionate burdens. And the other is making sure as
we're developing these community steering committees, that
there really is sort of a cohesive sense of what a
community is. And if we go too large, it's almost like
we're going back to our regional planning process.

The last piece of this is, you know, because
there are many deserving communities out there, is to
continue to identify actions that can be happening now that will be benefiting this broader list of communities out there. And that's part of why, through the Community Assistance Grant Process, we really wanted to make sure that we were developing that assistance and capacity across many different organizations within the State.

But there are also other efforts through the incentive program investments, through enhanced enforcement, and other strategies that will be continuing to provide benefits to these additional communities as they come forward.

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OCAP DIRECTOR MAGLIANO: So with that in mind, sort of in the last portion here, I wanted to talk a little bit more about how we are approaching what the strategies are, because they really are the backbone of the program itself, and looking at this in sort of a complementary suite of different approaches that are all designed to work together on multiple levels.

So starting with this, we do have, you know, all the new measures that are going to be coming to the Board over the next few years as part of our current air quality plan, the scoping plan, short-lived climate pollutant plan, the freight plan, et cetera, et cetera.

That these are really going to be some core
foundational measures that will provide reductions for these communities, especially in terms of defining the next generation of advanced technologies, especially with an emphasis on zero-emission technologies, which we've heard very frequently from communities that they are looking for as part of this program.

But we also have incentive funding that's available. As we mentioned, the legislature has appropriated some funding that's specifically targeted for supporting early actions under AB 617, but also looking at how we leverage that funding with all of the other funding pots that we have available.

And then the last piece of this is as we go forward and are thinking through all these new regulations, how we can give greater consideration to how do they not only provide those statewide and regional benefits, but how we might be able to design them to deliver community level benefits as well.

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OCAP DIRECTOR MAGLIANO: So then the second piece of it is we have also proposed some additional new strategies that are looking at the kinds of sources that tend to be concentrated within these communities that have some of the higher air pollution levels, and also ones that can start really addressing some of those more
localized exposure issues.

So part of that, for example, for communities that are impacted by freight sources, we have all the new measures that the Board was discussing when we were in Riverside in March, as well as other focused efforts, for example, a freight handbook, and some targeted enforcement efforts in freight corridors.

We also have some new proposed measures that are looking at making sure that we maintain the emission benefits from those existing sources similar to what we've just heard in the previous item. And then a number that are looking at stationary sources, both in terms of things that CARB would do with the statewide level, for example, hex chrome, and updating our ATCM for that, but there's also a lot of work that is going on at the local air district level, because there are requirements in statute to look at the equipment that is at some of the largest industrial facilities, whether it's refineries or cement plants, and making sure there's an expedited schedule for getting all of that equipment up to the most recent control technologies. And that will really help all communities that are situated near these types of sources.

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OCAP DIRECTOR MAGLIANO: And then the last piece of this is as we go into individual communities and
develop those targeted community emission reductions programs. Additional strategies that will come forward. What we've done as part of the blueprint is proposed first sort of a scope of the kinds of strategies that should be looked at as part of these.

And the graphic on the slide here sort of highlights what those different areas are from new regulatory programs, to the incentive investments, to enhanced enforcement, for example, but also the process by which we go through and look at what the right mix of these strategies are. And this is where the community steering committee is really a critical aspect of this, of gain looking at developing these plans together with the community itself.

Many of these are targeted at making sure that we have specific emission reduction targets for each of these communities. But we've also included in here, you know, how we continue to engage much more closely on land-use and transportation strategies, because as we've gone out into these communities, that's probably one of the most common refrains is, you know, past land-use decisions that have placed people and sources much too close together, and what can we do to mitigate that, but equally importantly, how do we prevent that from happening in the future.
So what we've proposed is looking at, you know, how we identify the kinds of outcomes that the communities would like to see, recognizing that AB 617 isn't changing any of the authorities. And in many cases, these decisions do rest with not CARB or the air districts, but these other agencies, but then identifying what kinds of tools and strategies can we use to better engage in that decision-making process.

We've also been working on a number of other things that can help support the strategy development. One is a technology clearinghouse that helps identify, you know, what are those best available control technologies, and also over time keeping that as a forward-looking aspect, so, you know, as new -- especially zero-emission technologies come forward, keeping track of what's available.

There's also a lot of work that's just getting initiated now on enhancing our emission reporting systems. And we're working closely with the air districts on how we do that more efficiently, and more frequently as well, so the information is available to support these programs.

And then lastly, putting together an online resource center that will start collecting a lot of information, especially when we look at land use, transportation strategies, what has been done, what has
worked elsewhere, you know, what are best practices, for example, that can help support these overall efforts.

--o0o--

OCAP DIRECTOR MAGLIANO: So we're not there yet. There is still quite a bit more to be done over the next few months. And there's a broad team that will continue to work on this. So as Veronica mentioned, we're going to continue to be having a lot of engagement with communities and other stakeholders, and are looking forward to additional tours where we can get out into the communities. And we'll be looking for opportunities to bring in the Board members as part of that process as well.

We've had a few workshops, and another to go. And we'll also continue with our Consultation Group that Dr. Balmes chairs.

So that will all lead into the feedback recommendations discussions that we get into releasing an update of the blueprint itself, as well as our staff recommendations on communities that should be considered as part of this first year of the program.

And then the Board will consider that in September. So that obviously is a very important milestone. But beyond September, there is a lot of hard work then that will take place as we move forward into
implementation of the program itself.

So we are looking forward to some good questions, and discussion here today. But as we've done in the past, I'd always -- also like to invite up several of our partners with the air districts to talk a little bit about what they've been working on. So we have Wayne Nastri from South Coast, Greg Nudd from the Bay Area, Samir Sheikh from San Joaquin and then also Alan Abbs from CAPCOA.

CHAIR NICHOLS: Thank you, air districts.

MR. NASTRI: Thanks, Madam Chair. Thanks, Board members. It's a real pleasure to be here and have the opportunity to speak to you today about the ongoing efforts with regards to AB 617.

South Coast is well underway with regards to implementing the demanding requirements and tight schedules for this program, including our work on BARCT, transitioning from the reclaim to command and control, as well as looking at the identification and selection of communities as we move forward. We've received extensive public comment through a variety of means, including input from over 10 evening community meetings, as well as from emails, from input on our websites, self nominations, and a variety of other comments that have been submitted to us.
Our governing board will next week consider our staff recommendations regarding the identification and selection of those 10 communities. And upon the conclusion of their findings, we will submit those findings to CARB along with the technical documentation supporting that by the end of July.

So we believe we can handle at most three to four sites in the upcoming year. And what we will be doing is really reflecting on the amount of work that has gone into our experience in a very similar approach in the City of Paramount.

So we continue to work with your staff on a number of issues that are critical to our collective success. And they include ensuring that we have clear communications, and that we're able to manage expectations amongst all the parties. That we make sure that we meet and not exceed the statutory requirements. And it's something I know that Dr. Balmes and I and many in this room have talked about at the Consultation Group meetings.

We also want to make sure that we don't reinvent systems that have already been proven to be effective and that we're not wasting time with regards to duplicity or duplication of those efforts.

And then finally, I would say the other issue that we want to really work closely on is ensuring that we
can streamline the process for the transfer of funds and
resources to the districts, so that we can actually get
the work done in a timely manner.

And so with that, South Coast is committed to our
collective air quality mission, and we look forward to
continuing our work with CARB in order to get the fine
work done that we all know needs to be done under AB 617.

Thank you.

CHAIR NICHOLS: Thanks a lot. It sounds like
we're making some real progress here in terms of getting
everybody lined up and all working together, and not
duplicating each other's efforts on this one.

MR. NASTRI: Well, it really is making sausage.
(Laughter.)

MR. NASTRI: And sometimes the process isn't
pretty, but we're getting -- we're getting a lot of
progress.

MR. SHEIKH: Good morning, Madam Chair, members
of the Board. I wanted to second that last comment as
well, and also let you know that we're working hard in the
San Joaquin Valley to work on 617.

My name is Samir Sheikh. I'm the -- actually the
new Air Pollution Control Officer and Executive Director
for our agency. I just wanted to quickly introduce
myself. I know I've been here before in my former
capacity. But here I am in my new capacity.

    CHAIR NICHOLS: Welcome.

    MR. SHEIKH: I just wanted to let you know that over the year many years that I've been working with CARB and in our region on air quality issues, I have gained a very deep appreciation for the complexities of the challenges that we have in our region, the work that we've done together to really help improve air quality in our region, but also the challenges that remain and the hard work that's coming here together to really help improve quality of life and public health in our area.

    So we have been working very hard on AB 617, as Wayne just mentioned. I wanted to thank staff for really just taking the same to be -- to be in the valley quite a bit as you mentioned before with the tours.

    A lot of community engagement, and that's really been a huge priority for us is really getting the word out about 617, and trying to make sure that folks understand what's going on. It's very complex. There's a lot of moving parts. One of the things that we've noticed is that because there are so many issues kind of going on at the same time, it's really been challenging to try to keep the dots connected for all of the stakeholders, and really try hard to get that information out there, and communicate it in a way that folks can understand.
So we've had a lot of meetings, a number of community meetings, as well through all the eight counties and in our valley, a very large geographic region, so we -- we always have the challenge of trying to make sure that every part of the valley is really seeing the information and trying to keep up with what we're doing on.

So we're -- we're continuing to ramp up that community engagement. It's a huge part of 617, and we want to look for even more ways to try to -- to try to get the word out about what's going on.

Just an update. Last week at our board meeting, after months of community engagement, we did take an item to our board on the community prioritization and selection. You know, overall, we developed a methodology that was really data driven, took advantage of the hard work of the state with CalEnviroScreen, and all the metrics that are involved there, but really took a look at local data as well, and the emissions inventory, the monitoring data that we have, the modeling that we've all put together, to really take a look at, at a community level, and particularly with PM2.5 as a huge metric and that exercise, you know, what are the exposures that are being seen throughout the valley, and really use that to drive our prioritization.
So we did come up with, you know. Obviously, we have a lot of communities that are in need in our region, a lot of disadvantaged communities, and a lot of air quality issues in our valley. So it's difficult to really -- to go through that process. Obviously, a prioritizing, you know, many communities in our region.

We did come up with three communities. You know, resources are obviously an issue. And this is a multi-year effort that we're going to be undertaking under 617. As Karen mentioned, you know, maybe 10 statewide. Wayne just mentioned, you know, the four that they're talking about maybe in the South Coast potentially.

So we're looking at just from a resource perspective and making sure that we ultimately meet the -- you know, the mandates in our 617 somewhere in the two to three range. We actually came up with three communities in our board meeting. I don't think any of them are a big surprise to anybody who's familiar with the valley, and really the challenges that we have there.

We have South Central Fresno as one community that includes Calwa and Malaga. We have North Bakersfield that's surrounded by highways and industrial sources. And then we also have Shafter as a third community as we went through our public engagement on that item. And after a lot of conversation at our board meeting added that
community as a third community. It really adds a rural
element to otherwise two urban communities. And I think
it's going to be a good mix of communities to really see
how we can -- how we can really take 617 as an opportunity
to make some differences in those communities. So I
wanted to make sure you got that update. It just happened
here last week.

We're also focusing really on early actions right
now. As was mentioned before, we're really looking for
input on how to take advantage of the incentive dollars
that are being made available to really distribute those
dollars in a way that provides good emission reductions
and health benefits in our community. So there's a lot of
work going on right now to engage on that issue, and
really look for good projects to spend that funding on.
So I wanted to close by just highlighting just how
important it is to work together on 617, and how much
we're committed, I'm committed, to working with your Board
and with the staff to really do a good job under 617.
Really appreciate the hard work of CARB so far on this
effort.

CHAIR NICHOLS: Sorry. Oh, I'm sorry. Excuse
me.

BOARD MEMBER SHERRIFFS: No. Thank you. And I
just wanted to recognize and acknowledge Samir Sheikh's new role. He's obviously familiar with -- with us and the issues, but really appreciate his engagement in the 617 process, in recognizing that it's a huge challenge, but there are also huge opportunities for moving forward on a number of important issues. So thank you for being here and thank you for accept the challenges.

(Laughter.)

BOARD MEMBER BALMES: Welcome.

CHAIR NICHOLS: Could I ask a question on this issue, because the word "challenge" comes up quite regularly. And I think 617 was intended, in large part, to challenge us to do business differently. But one of the questions really has to do with the resources that are going into this effort, and the fact that historically -- although, I think the air program in California has done an amazing job of engaging and listening to a whole variety of different stakeholders, because the work we do affects so many different people and entities.

Nevertheless, we're not exactly in the community organizing, community outreach businesses. And I'm just curious to know, what the impact has been on your staffing situation, how you're -- how you're actually doing this. Since we're having an open discussion here, I hope you don't mind.
MR. SHEIKH: Thank you for that question and opportunity. And I think I speak for all the districts that have really, you know, looked for ways to not only take advantage, you know, of the staffing that we currently have to try to help with this. But obviously, there is a lot of new work, you know, that comes out of 617. In order to really do a good job I think implementing 617, you know, we do have to look for ways of committing resources to it, you know.

And I think there's been a lot of effort at the legislative level to help with that. And then also just be creative, as was mentioned earlier, taking advantage of, you know, where we have done things to help make that more efficient. You know, I think that's going to be a big part of that.

So we have been ramping up all of us. You know, we've been increasing staffing to deal with everything, whether it's BARCT or community engagement. If you look at the types of staff that we're bringing in, it's really cross the board. You know, there's monitoring components. There's, you know, technical components on technology review. There's -- you know, there's public engagement as staff. All of us have really been ramping up on that site to really make sure again that we're responding to the mandates under 617.
I also wanted to note -- one thing I should have mentioned earlier is that we do appreciate very much the increased capacity and input that we're getting from our local community groups that have also -- as was mentioned briefly earlier, we got a really good set of comments and ideas that came out locally that, you know, was helpful in our deliberations on putting together our methodologies.

You know, I think opening that process up the way that we have to really get input from all stakeholders, I think that's also been -- you know, to be able to do that I think you've got to have the resources to really respond to that. And I think we've all -- we've all basically increased our staffing, and are continuing to look for ways to increase stuffing with additional resources hopefully, you know, that materialize here to really respond to this, but it's very resource intensive. I know at the CARB side as well, you know, that that's been a challenge that we've been working on with Mr. Corey and others on how to take advantage of those increased resources, so...

CHAIR NICHOLS: Thank you.

I want to say it sounds though -- as though there's a certain amount of fun involved in all of this, even though it's serious business. Just looking at those photos of the field trips, I thought to myself, wow,
that's more fun than sitting around in a windowless Board
room. At least you're outside looking at real things and
real impacts. Sorry. Go ahead.

MR. NUDD: Chair Nichols, and members of the
Board, my name is Greg Nudd. I'm the Deputy Air Pollution
Control Officer for policy at the Bay Area Air Quality
Management District, and I've been having a fabulous time
in your Board meeting this morning.

(Laughter.)

MR. NUDD: So -- but I'm here to talk to you
about AB 617 and addressing inequalities in exposure to
air pollution is something that the Bay Area Air District
has been involved in for some time through our Community
Air eval -- Air Risk Evaluation Program, or CARE Program,
which started in 2004. We really see AB 617 as the next
stem in that, and we're very excited at the level of
resources and level of attention that's been directed at
this problem from the State level.

So let me give you an update on our progress in
our AB 617 implementation, and talk to you about some
early actions that we're taking in our year-one
communities -- or our proposed year-one communities in
West Oakland and Richmond.

So we've been doing a road show all across the
Bay Area. We've had 11 community meetings, and we've set
up a specialized website to take input on community selections, and to also gather input on the targeted AB 617 incentive funding.

So that program -- that road show started in January. And one of the things we rolled out at that road show was our proposal to start in West Oakland and Richmond. And surprisingly we've had no pushback from the other communities on that, which I sort of expected, but has not really materialized.

The other thing we've been working on in parallel is the update of the Best Available Retrofit Control Technology rules for large sources, as mandated by the statute. And that concept paper is online and we're looking at doing as many as 12 new rules. And we're prioritizing rules that would provide localized benefits, like increased air pollution control on petroleum storage tanks, for example.

So these rules on large industrial facilities may help in Richmond, but what we were seeing through our CARE Program is that the dominant source of air pollution in these communities is mobile sources. So that's why we're so happy and excited to see all the attention and energy that this Board is putting into reducing emissions from that sector especially the freight sector.

So as we define the communities more closely,
we're going to do a follow-up analysis and look at the
stationary sources that are in those communities. They're
probably not going to fall under the mandatory BARCT
review, but we're going to look at them again, and see for
these smaller facilities whether there are any
opportunities for control -- cost-effective opportunities
for emissions controls that we can apply, and on a
community specific basis.

So you know addressing this disproportionate
exposure to air pollution is going to require a strong
effort from both the Air Resources Board and the local air
districts with a focus on our relative strengths, with the
Air Resources Board on mobile sources, as we saw this
morning on a very interesting truck information. I'm a
mechanical engineer by training, so all of the talk about
Delta P was very exciting to me.

(Laughter.)

MR. NUDD: And also the -- and State strategy
from the Air Board's perspective. And from the local
district's perspective, we have boots on the ground in the
communities. We have the existing community
relationships, and we have that level of technical
expertise on the stationary sources. So really the model
that we've -- that we've followed so far with the
leadership from the Air Board staff has been one of
collaboration and cooperation. And that's really the way we're going to make this work.

So we did stick our necks out a little bit, and we're just moving forward with the year-one communities. I know that you all are going to weigh-in on that. But we think, based on the analysis that we've done through the CARE Program and our relationship with those communities, that it's pretty obvious we need to start in West Oakland with an Emission Reduction Plan.

So West Oakland is by far the most disproportionately impacted community in the Bay Area. We have a very strong partner there with the West Oakland Environmental Indicators Project. And we are beginning the process of putting together that Emission Reductions Plan right now.

We have worked -- we have a partnership agreement with them with West Oakland EIP. And together, the Air District and the West Oakland EIP have formed a community steering committee. Those community steering committee meetings have begun. There was one yesterday. There's one today, and one tomorrow. Because it's a big committee over 20 people, and we have to get everybody kind of up to speed on what does the Air Resources Board do, what does the local air district do, what does the City of Oakland do. And so that kind educational work is ongoing.
And once that's complete, we hope to later in the summer get down to the business of actually defining what goes into Community Emission Reductions Plan.

And the reason why we're starting early is because these timelines are so tight. And we want to make sure that we do a complete environmental analysis, and that we have everything square, and that we hit those deadlines for next year. So we're getting an early start in West Oakland. We're also getting an earlier start in Richmond.

Richmond has a complex source mix of heavy industry, light industry, port, freeway, trains. It has a lot of vulnerable populations there intermixed with all those significant sources. And the regional monitoring data that we're seeing is not really consistent with what we would expect from a community with that source mix and from a community with the health challenges that we're seeing in Richmond.

So we think that's a very good opportunity for us to do a robust community monitoring program in Richmond to get a better handle on what the emission exposures are at the neighborhood scale. And so we're beginning the process of putting that community steering committee together in Richmond as well to define the objectives of that monitoring plan. So that work is also underway.
So closing out, in the Bay Area we really think this is an exciting opportunity to address these long-standing inequalities in air pollution exposure. And we're very happy that the State is devoting so much energy and resources to addressing this problem. And we'd really like to thank the CARB staff for their professionalism, expertise, and dedication.

Thank you.

CHAIR NICHOLS: Thank you.

CAPCOA EXECUTIVE DIRECTOR ABBS: Good morning, Madam Chair and members of the Board. My name is Alan Abbs. I'm with CAPCOA. I wanted to start by giving a brief plug for the San Diego Air Pollution Control District. And they aren't up here to brag about the work they've done, but I think it's notable, and I want to make sure the Board is aware of everything they've been doing down there.

San Diego APCD submitted two communities for consideration, the San Ysidro border area and the Logan Heights/Barrio Logan port area.

And since that submission in April, the district has done over 20 community meetings after hours for local community members. They've -- they've set up numerous meetings between local community groups, as well -- and industry groups to get them together in the same room and
talk about the 617 program. They've been thoughtfully
looking at placement of new sensors and monitors in both
of those areas, plus studies in the border area that
they've received funding for to look at air quality
impacts.

And then if you go to the San Diego website, you
can find community surveys that are available for everyone
in the county to fill out that are picture based, where
the community members can talk about impacts to their
community and have the district consider that as part of
the nomination process.

And they've also, as Karen mentioned, each of
these community groups are going to have to have a
steering committee, or each of these community nominations
will have to have a steering committee. San Diego has
already started the process to look at what it would mean
to be on a steering committee to get a list of nominations
and qualifications from folks, develop bylaws, and try
to -- try to, you know, lay out the ground rules for how
things would happen should one of their communities be
ominated. So I wanted to highlight that -- the work that
they've done, since they weren't able to come up here and
speak to it themselves.

CHAIR NICHOLS: Thank you.

CAPCOA EXECUTIVE DIRECTOR ABBS: I -- so the
other three districts have talked a lot about the work that we've done between CARB, and the community groups, and the air districts. And I don't want to go over all that again, other than to say, you know, Karen is absolutely correct. There's been a lot of work that's been going on in the last six months, and there's a lot of work that's going to be going on in the three months leading up to the final community recommendations.

And that's only the start of all the work that happens. And so we've done a lot of work, so that we can do a lot more work, so that we can do a lot more work.

(Laughter.)

CAPCOA EXECUTIVE DIRECTOR ABBS: And it --
CHAIR NICHOLS: We do, right.

(Laughter.)

CAPCOA EXECUTIVE DIRECTOR ABBS: And so it -- but it's nice that the -- that the legislature recognized the work that has been done and is providing resources for us to continue doing all this. And so with that, I'll be done.

CHAIR NICHOLS: Thank you very much. I suspect that we have a number of Board members who'd like to comment, and we've also got a list of 15 people who've signed up to speak to us on all of this.

So before we do go to the public who are here
though to speak to us, I did want to call on Dr. Balmes, because he has, at the request of staff I know, undertaken a considerable amount of extra effort, given the focus that this whole program has on public health. It seemed particularly important that we try to link what we're doing with 617 implementation with our ongoing public health responsibilities.

   So John.

BOARD MEMBER BALMES: Thank you, Madam Chair. Well, I actually did volunteer to, because I thought it was important.

   (Laughter.)

BOARD MEMBER BALMES: In part, because as we've set before, but I think it's important to say again today, which kind -- kind of getting into the weeds of the program, which is important, because we're actually trying to implement it. But to step back for a second, this is a major paradigm shift. You know, I have a certain amount of national, and actually international networking that I'm part of with regard to air pollution, health effects research and regulatory policy. And just to remind everybody, we're doing it different here.

   I don't know of any other agencies certainly of this size that's focusing on community level air quality monitoring and Emission Reduction Plans.
It's really exciting, but it's also a big challenge. And I want to thank some people, you know, who have already had a chance to speak for their efforts, because it is a heavy lift, and there's a lot of moving parts, as Karen said.

So first off, I want to thank Karen Magliano and her team, including Trish Johnson in the back, because she's organized all the AB 617 consultation groups. But I think Karen's staff, along with Veronica, Edie, has done a tremendous job so far. This -- as we've talked about in other Board meetings, and you've already mentioned, Mary, we have not really been active at the community level as a State agency.

And now we have -- we're engaging. And I think it's actually really good for us. I think it's going to make the agency better. I think it already is. And I think it's good for public health in California.

And I also want to thank all the -- well, the three air quality management districts that have been participating actively on the AB 617 Consultation Group. The participation of South Coast, San Joaquin Valley, and the Bay Area has been really important. And as Wayne has already mentioned, it's been a very effective, I think, dialogue between the EJ groups, who were pretty dissatisfied with us earlier on, like with the
Environmental Justice Advisory Committee, when we were
dealing with AB 32 implementation.

But I think the dialogue that we've had at AB 617
Consultation Group meetings, and we've had three of them
so far, fourth one coming up in July, have been good. I
think we've made progress. The environmental justice
groups have all wanted to see public health improvement
communities like yesterday. It's totally understandable.
I relate to that.

But the districts are not public health agencies.
They're environmental control agencies working with us and
EPA. And so I think there's been a good dialogue about
how much we can take the community air quality monitoring
and the Emission Reductions Plans that are mandated by AB
617 all the way to community level public health benefits.

I don't think we're set up to do that now. I
think it's the goal, and I think we should keep pushing
for that. But not only do the districts, I think, and the
community groups that were -- that are engaged with the
districts need more resources to effectively implement AB
617. But to get to the community level public health
benefits that I think everybody agrees we want, that's
going to need more resources.

And we've talked about how that might happen, but
I think that would be -- would actually be something that
CDPH and the county health departments should be tasked with.

So I want to say a special -- or give a special shout-out to Samir Sheikh from San Joaquin Valley, because this is an example of how the Consultation Group has worked. Kevin Hamilton, who many of you know -- certainly the EJ folks in the room know. Kevin Hamilton doesn't -- isn't free with compliments towards the San Joaquin Valley Air Pollution Control District --

(Laughter.)

BOARD MEMBER BALMES: -- at the last meeting --
CHAIR NICHOLS: Nicely put.

BOARD MEMBER BALMES: -- he actually thanked Samir, or complimented him.
CHAIR NICHOLS: Wow.

BOARD MEMBER BALMES: Yeah. So I won't say any more.

(Laughter.)

BOARD MEMBER BALMES: I think that's --
CHAIR NICHOLS: You don't want to jinx it.

(Laughter.)

BOARD MEMBER BALMES: I also want to thank, in addition to the districts, some of the folks in the audience from the EJ community, in particular Luis Olmedo in the back for the -- because his community has already
been actually implementing what we want AB 617 to do with
the IVAN network in Imperial County. Ms. Margaret from
the West Oakland Environmental Indicators Project
already -- and Greg already mentioned her, but again
that's a -- that's a well oiled community machine that is
an example, a model, of what we're trying to do elsewhere.

And I also want to give a shout-out to the San
Joaquin Valley folks who have self organized to help Samir
and the District come up with a list of communities.

And there are other folks. You might be
surprised Cathy Reheis-Boyd has been very active at the AB
617 Consultation Group meetings. And she's poked the
tiger a few times. But I think her input I think she gets
it actually, that we're trying to move to air quality
control efforts at the community level.

I could go on and on, and I won't, because we
need to hear the public speakers. But I'm really
impressed with how much has been done so far, but there's
a lot more to do. And the final thing I will say here is
that I'm really glad that the decision about the 10
communities rests with the Board. I think it really is,
in part, a political decision on top of what staff will
recommend.

And, you know, I think it's only appropriate that
the Board, as a whole, decide which communities are
initially funded to go forward with AB 617 implementation.

CHAIR NICHOLS: Good comment. Thank you.

John Gioia, just a word.

BOARD MEMBER GIOIA: Sure. I had some comments and some questions of staff. And let me start by saying I think this is an exciting opportunity. But let me also say as someone who grew up in Richmond, lived most of my -- lives most -- has lived most of my life in Richmond, has represented Richmond for the last 30 years, I think there's also a lot of skepticism in communities about expectation of what will happen.

So -- and I think that's warranted skepticism, because communities -- I hear this all the time from my neighbors, my friends, from folks I represent, and that's, all right another study, another effort. We've been studied a lot. I can say that on behalf of Richmond, which will most likely be one of the communities, and what does it really mean for us? We've heard this before.

And it comes down to a trust issue. So -- and I appreciate, I think, staff will, and the local air districts here a CARB are all working hard to build on -- to develop trust even further. So a couple things. Some comments.

One is there are a number of monitoring grants that this agency has awarded in local communities. And in
some cases, those monitoring grants -- and I've talked to staff about this. I want to sort of make sure we're clear as we move forward here. So some of these monitoring grants are going to communities that may be selected as an AB 617 community. And I'll just take my own community of Richmond as an example.

There are two half a million dollar monitoring grants to different community groups, which are great grants. Then there is the larger air district monitoring effort, which will have a community steering committee. It is really important for all of these efforts to be coordinated in some way.

Having -- you know, I know -- having separate steering committees for each community grant, plus the major overarching steering committee at some level is -- isn't necessarily, I think, respectful of the community, because I think you want to have individuals who are acknowledgeable of the total context of everything that's going on.

And to the extent that our grants require a certain type of monitoring, we want to understand what -- does that fill a gap in another type of monitoring that's occurring somewhere -- you know, as part of the overarching effort. So I think I talked Richard to you and to staff about the need of having these -- to have
there be sort of one steering committee that sort of is involved with all of these efforts. I get that some of the grants will occur -- monitoring grants that we awarded will occur in communities that are not going to be selected as an AB 617 community. So that's one thing. But for those that will be, there's -- since that's going to be the major effort, we need to bring them all together. So I want to hear, before I make my next comment, how you're -- I want to hear how we're moving forward on that, and how we're anticipating that issue, since I've raised that before?

Otherwise, you're going to have people going all sorts of meetings and -- right.

OCAP DIRECTOR MAGLIANO: So I think we absolutely agree. Especially when we have limited resources, we want to make sure that we're using them effectively, whether it's the community air grants or the air district monitoring. So I think that, yes, going forward, if there is a community where there are multiple efforts happening, it makes sense to have that under the umbrella of a single steering committee. As we develop the grants themselves, I think we'll also be putting some language in there and making sure that the grant recipients are also working closely with the air districts themselves to make sure that we end --
BOARD MEMBER GIOIA: Right, right.

OCAP DIRECTOR MAGLIANO: -- up with the most effective leveraging.

BOARD MEMBER GIOIA: Great. And so that will be put in the grant -- written into the grant agreements in someway, so they'll be required to do that.

OCAP DIRECTOR MAGLIANO: Right.

BOARD MEMBER GIOIA: Then the other issue gets to the expectation of what's going to happen afterwards. And I know you talked about technical clearinghouse, which is great. And I thought I heard you talk about something that's more of a policy or best practices clearinghouse, because the concern I could -- that I see, and I've already heard, is that different air districts, and different land-use agencies are going to -- are going to take this information and are going to exercise their existing authority differently.

So I serve on a county board of supervisors, which has land-use authority, Richmond City Council has its land-use authority over some of these areas. I'm on the air district that has some regulatory authority and then here.

And so you may have -- we may end up with a situation where one air district in one part of the state chooses to exercise its authority to be aggressive about
implementing Emissions Reduction Plan, and another air
district that is less so.

I think there needs -- we need to have some
review here of what happens, what's coming out of these
Emission Reduction Plans. This -- communities may be set
up for failure if a local air district isn't being
aggressive about its authority -- whatever regular
authority it has. And so we may have a role in
identifying the types of authority that local air
districts may have.

For example, I know the South Coast Air District
you made public your legal opinion on the indirect source
authority, right? I mean because there are different air
districts that may have different interpretations about
what their authority is to impose Indirect Source Rules.
So I'm a little concerned about that inconsistency that
could happen.

Second, I know we're putting together a freight
handbook with best practices for land use, and local
government, and advocates, an activists, which will come
out next year. I think some -- I think that's going to be
very helpful for -- for this effort, because local cities
and counties are going to need help.

You know, I've talked to our own planners at the
county as they want to learn about what authority they
have to help. I mean -- and rather than each agency
recreating the wheel, hopefully that freight handbook can
be expanded in some way to cover non-freight activities
and best practices as we implement these emission
reduction plans, because you have on the chart -- you
know, some of this is going to occur through incentives.
Some is going to occur through regular authority of an air
district or ourselves, and some by local land-use
agencies.

So I think we should be play an overarching role
in helping the local agencies exercise their authority and
then it will become a political decision at those local
levels, whether they indeed exercise it. That's my
concern.

I mean, it's one thing to say we're going to do
this great plan, we're going to have incentive money, and
it's another thing to see the results happening on the
ground.

There are too many political battles I've seen
where agencies don't exercise the authority that they have
to reduce emissions. And so we need to have some ability
to sort of monitor that and help.

EXECUTIVE OFFICER COREY: Short response

supervisor, because there's a lot there.

(Laughter.)
EXECUTIVE OFFICER COREY: But if I anchor off of --

BOARD MEMBER GIOIA: It's a complicated issue and I've seen too much of it.

EXECUTIVE OFFICER COREY: Understood. So Karen spoke about the September key points in terms of some decision points that will come before the forward. First is that initial tranche of the impacted communities. But the point of identifying those communities are the communities for which the Emission Reduction Programs will need to be established.

The other element is the consideration of the blueprint. Basically, what is the metric by which those Community Reduction Plans will be assessed by this Board. So as the districts develop the Community Reduction Plans over the next year - those will return to the Board by October 2019 - they include -- will include not only the characterization of the impacts on that -- those given high priority communities, the sources that are impacting, the emissions, exposure characterization, and what the actions are, the actions and the timetable.

So in other words, an ability to look at the best of the best. What are the different strategies that are being recommended within a given community. And not only that, and that will be subject to Board approval, those
Community Reduction Plans, but also -- and you're hitting on this. It's also implementation, and an annual progress report, and close collaboration with the air districts.

As the air districts said, and as we have, in a number of communities, mobile sources are certainly going to be a key element. We know, and we are committed, and already working with the districts in terms of the development of those plans, and ultimately the strategies.

So I think those touchpoints recognize, one, the elements that need to be in those plans; two, the ability to have a full airing out; and three, really progress reports to make sure how is it going, are we delivering on what we expected, what's working, what isn't, and are adjustments warranted?

BOARD MEMBER BALMES: Just one little comment piggybacked onto Supervisor Gioia's, the mention of the land-use issue. That's come up multiple times in our AB 617 Consultation Group. And Ms. Margaret from the West Oakland Indi -- Environmental Indicators Project said something to this effect, if you don't have land-use people -- planners at the table, you ain't got nothing.

BOARD MEMBER GIOIA: Right. But it's important to note, once having been a land-use lawyer, that land-use regulations are going to help maybe keep a facility from expanding or prevent new facilities, but we still have to
address the pollution that's coming from facilities that
are already there under existing land-use rules, so that
we're not leaving those communities to continue to suffer,
and therefore the Emissions Reduction Plan is so -- this
is -- it's a parallel track, right? You need all of these
things. It's not one or the other.

   CHAIR NICHOLS: Ms. Mitchell, I couldn't see you, so -- she had to stand up and come flag me down.
   (Laughter.)

   BOARD MEMBER MITCHELL: Thank you. It's like can anyone see me?
   (Laughter.)

   CHAIR NICHOLS: We all need flags today.

   BOARD MEMBER MITCHELL: Right.

   I have a question. That relates to the BARCT requirement under 617. And I'm wondering how we will be handling that? Because BARCT in South Coast District may be different from BARCT in the Bay Area, or the rural counties, or other areas. So I was just wondering what are the plans for handling that here at the CARB level?

   OCAP DIRECTOR MAGLIANO: So as you said, there are requirements that each air district who has facilities develop sort of an expedited schedule. Each one will be going through that process. But there are also requirements in the legislation that recognize that, you
know, it may be different from district to district, because they consider, you know, what their current air quality conditions are, what cost effectiveness are.

One of the things that we will be doing is, as air districts go through that process come up through their schedules, we'll be making that information available on our website as well, so people can see what is happening across the state. And then that also goes back to then reflecting that information in our technology clearinghouse.

So we have greater accessibility and transparency in terms of the information and the process that each air district is going through, in terms of coming up with their schedule overall.

BOARD MEMBER MITCHELL: So the clearinghouse will reflect those differences from one air district to another?

OCAP DIRECTOR MAGLIANO: Correct.

BOARD MEMBER MITCHELL: It's kind of hard to harmonize that in any way I would say, so let's not do an impossible task.

OCAP DIRECTOR MAGLIANO: Right. It will reflect those differences, but also try and include as much information that fed into that decision-making process as well.
BOARD MEMBER MITCHELL: Good. Okay. Thank you.

CHAIR NICHOLS: Okay. Can we now turn to our

speakers then. We'll start with the -- oh the AQ -- the
districts. Okay. I guess it would be Janice Snyder then?

MR. LEMUS: The time it, but I'm going to bring

Janice up here since she's also my colleague at the

Sacramento Air District.

Okay.

MS. SNYDER: I'm the third one on the list.

Good morning, Chair Nichols and members of the

Board. My name is Janice Lam Snyder, and I'm with the

Sacramento Metropolitan Air Quality Management District.

I am responsible for the community identification

for air monitoring, and the Emission Reduction Plans for

communities here in Sacramento.

And so first and foremost, I'd like to thank CARB

staff for putting together a framework for the districts

to implement -- to help implemented AB 617. And so we

have -- you know, looking at the communities here in

Sacramento, comprehensively looking at health information,

socioeconomic, emissions, we have identified several

communities in Sacramento that we feel that should be a

part of this program.

We have worked with communities, groups, me and

Jaime were at a few neighborhood association meetings
talking with residents in the communities that we have identified. And they definitely feel that they have air pollution burden in their communities.

And so as part of that, we have been working tirelessly with State legislators, elected officials, and community members to secure funding for AB 617. And also incentive funding to reduce these emissions and risk into our communities.

So as we move forward in the state process, we -- in identifying the communities, we hope that our district and our communities here in Sacramento are considered to be part of the program.

MR. LEMUS: Thanks. And also as Janice has mentioned, so we've reached out to the residents in our low income communities, and our disadvantaged communities here within the Sacramento County. They welcomed us, shared with us many challenges that they face, and we listened and learned.

One of the most predominant challenges we heard about the members in these communities was the lack of transportation options. We heard how providing transportation options can create access for employment, education, healthy foods, and medical care.

Just as our residents highlighted the transportation challenges they face, we know that
deploying zero-emission light-duty and heavy-duty vehicles is also a challenge. The community air protection incentive guidelines will be very similar to the Carl Moyer guidelines.

    The Carl Moyer guidelines do not provide the flexibility required to successfully deploy zero-emission vehicles within communities that lack resources, and existing public transfer -- transit infrastructure. We ask that CARB staff consider more flexibility to address this important issue.

    As we move forward with the CAPP Program and funding distribution, we believe it is imperative that the program CAPP funds be equitably distributed throughout the entire state to provide access to transportation and improve air quality.

    We're committed in serving our Sacramento County residents. We will continue to evaluate our community needs, and prioritize potential transformative zero-emission projects within the Sacramento's AB 617 identified communities. We're excited to deploy zero-emission technology within these communities to improve the quality of life for the people who live in them.

    We would also like to thank CARB staff for their work on the community air protection blueprint and CAPP
funding guidelines.

Thank you. Thank you for your time.

CHAIR NICHOLS: Thank you.

MS. CREAMERS: Good morning, Madam Chair, and Board members. Noelle Creamers with the California Farm Bureau Federation. Appreciate the opportunity to comment this morning. I wanted to start by talking about the focus and priority of AB 617, which is supposed to be selecting the highest priority locations and communities in the state.

And we think that that focus will allow -- will better allow for success, rather than taking a more scatter shot approach, where you're putting a little bit of money all over the state, and then we don't see real success in any of those highest priority communities.

So, for instance, in the community air grants some of the projects are outside of the -- I know the communities have not been selected yet. But even outside those that have been proposed so far.

And so we think that going forward, that should be better integrated, so that when you're funding those community grants, they're targeted towards the highest priority communities.

We also want to talk about -- because over time, the air district is asked to focus on the highest priority.
priority, and then move to the next level, and the next level continuously in the long term. And so we do think it's really important that as we move forward, and move out of kind of the initial highest priority, that there's a real consideration about the financial impacts of some of the requirements that could be placed on businesses in those cleaner locations that are selected in the future.

Just as an example, we have a member in the far north of California who, under the Diesel Truck and Bus Rule, is being asked to replace $1.2 million worth of equipment in kind of one-shot deal, because of the loss of the 5000 mile low limit -- or low-use compliance option.

And so we see -- our concern is in moving forward as we move into communities with cleaner air, if there are similar requirements placed on our members, that that will be a financial challenge and we want to make sure that that's considered moving forward.

We also want to kind of promote the use of incentives moving forward. The Governor included approximately 300 million for incentives for emission reductions, for California agriculture, which we absolutely support, and we think that that's the right way is to really focus on incentive opportunities so that we can make improvements, where possible.

So one last point is on the land-use piece.
Obviously, land use is very important to California agriculture. We do not want to see continued development on ag lands, and we think there is value in having the discussion with land-use planners. A particular concern of ours is the placement of schools in the middle of farmland, which then just sets up conflicts.

And so while we don't want to see land use change from local control, there is real value in having the discussion, and making sure that we can limit impacts where possible.

Thank you.

CHAIR NICHOLS: Thank you.

MS. WHITTICK: Okay. Good morning, Chair Nichols and members of the Board. I'm Janet Whittick from the California Council for Environmental and Economic Balance, and I represent CCEEB on the Consultation Group. I'm also a familiar site at the many meetings in the South Coast and the Bay Area where CCEEB is a major stakeholder.

As supporters of 617, we truly appreciate the staffs at ARB, the districts, and CAPCOA. What seemed before an impossible task, now seems merely incredibly difficult.

(Laughter.)

MS. WHITTICK: This is progress. We see a pack moving forward to the many complex requirements and
aggressive deadlines. And this is where we feel the focus must be placed in the initial years, and that is on the specific requirements of the bill. As the program evolves, new elements can be explored. We've got to get the core working first. We can't build a foundation on what -- we can't build on a foundation that hasn't yet been set.

We also thank legislative leaders for allocating funding for the initial implementation. But it's significant, but just a beginning of what will be needed. And so we commit to working with you, so that this investment in California communities results in maximum cost effective emission reductions and achieves the goals of 617.

Towards that end, we're working on comments on the blueprint, and we'll be submitting comments tomorrow on the statewide reporting. We agree with ARB staff that the reporting should in no way create dual and duplicative systems. This is critical to ensure both public data is accurate and reliable, while avoiding compliance traps and creating two sets of books for the same sources.

To do this, we ask ARB to phase-in its rule only after ensuring State and district requirements are aligned. Under AB 197, we already have in place a platform and a process by which ARN can collect facility
So with AB 617, we're moving to the next step, which is having uniform calculation methods. Additionally, many compliance and enforcement issues arise under dual reporting authorities, and could unintentionally impact district rules, permits, schedules and planning. One solution would be to delegate enforcement to the districts, since they will be verifying facility data before it goes to ARB, and already served this function for their own programs.

Finally, we thank Dr. Balmes and the other members of the Consultation Group. These haven't been easy conversations. But hearing each other's perspectives is always valuable. And we really do hope this is a model for moving forward with the community steering committees. I will note that on staff's slides, when we were looking at partners, I have to assume that community was including the affected industries and local businesses. But that wasn't made explicit, and I think it's very helpful to do that as we move forward, to show that 617 truly is going to be an inclusive program and a joint effort.

So thank you.

VICE CHAIR BERG: Thank you.

MS. PARK: Hello and good morning. Thank you for this opportunity to speak. My name is Yolanda Park and I
am the environmental justice program manager at the Catholic Charities of the Diocese of Stockton and the only one in the nation.

I'm also part of the San Joaquin Valley AB 617 Steering Committee with our partners like CVAQ, CCAC and CCEJN. I want to thank you all, and especially staff for your hard work in these programs. I really appreciate these opportunities to assist our vulnerable communities, especially those who suffer the health effects from port air quality.

As considerations are made for choosing the final round communities, I ask you to consider the locations of grant awardees and the communities being looked at for the Study of Neighborhood Air Near Petroleum Sources or SNAPS, so that communities not listed for either one be given greater consideration. And thus not duplicating projects in the same areas as well as holding to the spirit of AB 617, which is to reach communities that tend to fall through the funding and program cracks.

I also invite you to see the map showing the grant awardees, the nominated communities, and those being considered for SNAPS. You'll notice that it seems the northern part of this state, the area above Sacramento, is blank. And I was just kind of wondering why that was, and if anything, any kind of outreach had been done. It just
seemed like this very blank spot in the northern end.

I, of course, advocate especially for the counties of which the Diocese covers, Stanislaus, San Joaquin, Alpine, Mono, Tuolumne, and Calaveras. And I, of course, advocate for the Port of Stockton, which is the community that we nominated.

However, not only do I speak beyond Stockton, as some think I only do, I also speak for the valley, and particularly Northern California. I certainly support the nominations made by the AB 617 steering committee. I'm just wondering why that area was blank.

I also ask you to consider choosing communities that also have history and capacity to community organize, because they will be the ones walking step by step with these chosen communities, helping them navigate these programs to provide -- and to provide valuable feedback.

We welcome our air district to engage with us, and CARB staff to continue their engagement with us. I'm sure you know Pope Francis is always a proponent of communication and dialogue. So I'm sure he would supported that as well.

I mean, I am from Catholic Charities, right?

(Laughter.)

MS. PARK: So we look forward to these partnerships and to working together.
Thank you.

VICE CHAIR BERG: Thank you.

MR. MAGAVERN: Bill Magavern with Coalition for Clean Air. We're encouraged by the progress that's been made so far this year. And really looking forward to the actions that will reduce emissions, because like Supervisor Gioia, we will not be satisfied with another study. And as Karen indicated, that's -- reducing the emissions is really the whole point of this law. And that applies not just to the 10 or so communities that will be chosen in the first round.

So I was particularly glad to see in the draft blueprint on page 12 therefore the selection of priority communities will also include a description of near-term actions to reduce emissions and exposure in all communities, not just those selected in the first year.

I think that this draft blueprint is really on the right track. It acknowledges that the Community Air Protection Program should build on the existing processes that are underway through the State Implementation Plan, the Sustainable Freight Action Plan, Short-Lived Climate Pollutants Scoping Plan, all of those. And it's important that these efforts not just take credit for what's happening already with those, but take those into account and then add complementary actions to reach that goal of...
community air protection that's set out by the statute. And that's going to require a mix of regulations, enforcement, and permitting, incentive money, land-use changes, as has been discussed, and we're also very supportive of the early implementation of the requirement for implementation of BARCT, Best Available Retrofit Control Technology, on major stationary sources. So glad to see that option on the table.

We, like Dr. Balmes and Karen, strongly endorse the process by the community groups in the San Joaquin Valley to select communities. That's a really impressive effort, and you can ask Genevieve about that, because she's the next speaker, and knows a lot more about it than I do.

And finally, Veronica mentioned the good work being done by the Environmental Health Coalition in San Diego. And so I think it's appropriate for me to point out that Diane Takvorian has been a real champion of community air protection, and I'm sure that she will continue to be.

Thank you.

MS. GALE: Thank you, Bill, for the introduction. Hello. My name is Genevieve Gale. As you all know, I'm a policy associate with the Central Valley Air Quality Coalition. However, I'm here today representing the newly
formed San Joaquin Valley AB 617 Environmental Justice Steering Committee. We didn't do well on making a good acronym for that.

(Laughter.)

MS. GALE: But we were formed in the beginning of the year with the intent of increasing coordination and consultation among EJ partners in the valley. And so we did create a report that selects and nominates and prioritizes communities in the valley. And that report was shared with your staff and with the district a few weeks ago. And I thank Samir and his team for taking those into consideration.

An abridged version of the report should be in front of you, but rather than going through that word for word, I'll just say that we hope that this report does two things. One, we hope it helps you understand the environmental justice priorities that we have in the valley, such as focusing on unincorporated communities, that lack political representation; also, focusing on rural communities that have seemingly been stranded and forgotten; as well as oil and gas communities who needs have often not been addressed in the SIPS.

Secondly, we hope these nominations help those not from the valley understand those invisible social boundaries that unite and divide us. While these
boundaries may be invisible, they are powerful. We all
know that just a street or a highway can divide the haves
from the have-nots, and the polluted from the protected.

So when selecting final communities, our
suggestion to the Board is that CARB staff keep the
boundaries of the communities small and targeted. The
more multiple communities are included in, one, the larger
the scale -- the geographic scale of the community
selected becomes, the more community power is diluted and
potentially contested, the more individual community needs
are masked, and the more individual emission sources are
diluted.

So we hope that community boundaries are not
expanded in the name of helping the most people, because
that is what a SIP is for. But, in fact, we feel that
rules promulgated to help one small disadvantaged
community will actually help all communities like it.

And this is why our committee prioritized
communities that typify the issues that the valley
communities face.

So I'm available if you have any questions about
the report, but I thank you for this process, and for
obviously working with the valley. And congratulate Samir
on his ascension to the ranks and we look forward to
working with him as well.
Thank you.

VICE CHAIR BERG: Yes.

BOARD MEMBER GIOIA: Hi. I just wanted to make one comment. And I don't know the -- over here. And I don't know the political dynamics in your area. And I just wanted to make an encouragement. When you say unrepresented, unincorporated communities, Phil Serna and I are both county supervisors we're very active representing our unincorporated communities. So unincorporated communities have representation. It's just they're governed by the county. So I would encourage. And again, I don't know the dynamics in your area is to work with the elected officials at the county level who represent those incorporated communities. And the health department, and the planning department, in our -- in Sacramento and Contra Costa. They're very active. Hopefully, they are in your area. I don't know.

MS. GALE: Um-hmm. Thank you. And we definitely plan to. I think it was more of a sense representation at the city level, because city decisions impact them.

BOARD MEMBER GIOIA: Right. And county decisions will impact the unincorporated areas. Some -- and to be honest, sometimes the cities make a better decision, sometimes the county. It depends on what political dynamics exist. And you could help shape those dynamics
at the county level, through your advocacy.

    MS. GALE: Thank you.

    VICE CHAIR BERG: Ms. Gale, before you leave, I just really would like to congratulate you. You have really set a model. There might be others as well, but it is very impressive in a very difficult area with a lot of challenges. And so keep up the great work, but congratulations with what you have come up with.

    MS. GALE: Thank you. And obviously, this was a group effort of --

    VICE CHAIR BERG: It was. So if you'll please pass on really my thoughts I really would appreciate it, because it is truly impressive.

    MS. GALE: Thank you.

    VICE CHAIR BERG: Thank you.

    MS. TORRES: Good afternoon, Chair Nichols, and members of the Board. My name is Paulina Torres. And I'm an attorney with the Center on Race, Poverty, and the Environment.

    First, I'd like to thank ARB staff for their presentation and their continuous efforts to engage with our communities in the San Joaquin Valley, particularly in Kern County. I'm today -- I'm here today on behalf of all our community members who were unable to make today's meeting.
I want to echo their concerns regarding the implementation of a statewide setback on all oil and gas operations to be included in this AB 617 statewide strategy.

At the technical summits in February, ARB staff solicited recommendations for early action measures, in addition to incentive programs such as the Carl Moyer Program. In response, our communities gathered together and proposed three recommendations on oil and gas activity, namely and most significantly, a 2500 foot oil and gas setback to be included in the statewide strategy.

Since then, our community members have reiterated this concern at the March Board meeting, and at every single AB 617 workshop in the valley.

We were disheartened by the draft blueprint's failure to indicate any commitment to a statewide oil and gas setback. The blueprint merely mentions that ARB will work with local jurisdictions to implement a setback. But there are two problems with that, it didn't mention, one, what kind of setback, and two, 13 years ago ARB released a handbook called the Air Quality and Land Use Handbook, which basically stated the same thing that ARB would work and encourage local jurisdictions to implement setbacks.

As we've seen, it's unlikely that local jurisdictions will do this in the absence of a state -- of
the statewide strategy or ARB requirements. I want to
remind the Board that this is well within ARB's legal
authority, and well within the ambit and spirit of why AB
617 was passed.

If ARB is going to make any meaningful strides to
achieve the goals of AB 617, which is to reduce air --
reduce and improve air pollution in disadvantaged
communities, it must adopt these recommendations. I also
have a quote that our community wanted to share today.
It's from Estela Escoto, the president of Committee for a
Better Arvin. Arvin has ranked as community with the
highest air pollution in the nation. Many of us who live
their today came from Los Angeles -- the Los Angeles area
seeking fresh air from the valley. Sadly, now we realize
that fresh area is only a myth. So our communities are
calling on the Board and ARB staff to adopt these
recommendations.

Thank you.

MR. HERNANDEZ: Good morning, Board. My name is
Allen Hernandez. I am the executive director at the
Center for Community Action and Environmental Justice. We
are located in Riverside County and represent San
Bernardino and Riverside County and the communities there,
particular focus in the communities of Jurupa Valley,
Fontana, San Bernardino, Riverside, Bloomington. Those
communities have been really ravaged by the growth of warehouses popping everywhere.

And so I'm here today to really when -- we're talking about 617. I think for our region, you know, being part of the South Coast, I think it's very important for us that -- that we see implementation of 617 really focusing on zero-emission technologies.

We have a large influx of trucks heavy-duty medium trucks that come through the region, drops the goods off into our warehouses, and they're polluting a lot of emission. And I think we're at a point in our region where anything short of zero emission is just not going to accurately address the pollution where we live.

I also believe - and I've been hearing a lot of talk this morning, and I think it's great - I think we need to also really focus on the land use component on this. Just the other day, one of our local planning commissions approved a warehouse 70 feet away from the backyard of several folks in Bloomington. And we have been fighting this warehouse for awhile. It's also down -- it's going to be on the same little corner where the local high school is.

And our residents turned out. In particular, we have two residents who have been leading this efforts, Tommy and Kim Rocha. And they've been, you know, going to
the supervisors meetings, the planning commission
meetings. And this last hearing was actually to rezone
that area from rural residential to industrial. And the
planning commission approved that.

And so I think as we move forward with 617
implementation, right, we really need to focus a lot on
the zero-emission technologies, and we really need to
focus on the land use, because if they're just going to
rubber stamp warehouses in our region left and right, left
and right, we at least need those zero-emission
technologies.

But I think the ultimate answer is ultimately not
to have projects like this go up in our communities, so
close to our homes, and our schools, and then also focus
on taking care of these same communities where these
trucks come through, right?

So I really just want to implore the -- I just
really want to, you know, tell the Board, please let's
focus on zero emissions a lot more in regulations rather
than mitigation.

So thank you.

MS. TSAI: Hi. Good morning. I'm Stephanie Tsai
with the California Environmental Justice Alliance, as you
know, CEJA. We're a statewide coalition of grassroots
community-based organizations, many of which were -- well,
all of which actually work in -- directly in low-income
communities and communities of color. We'll work together
to advance environmental justice principles and State
policy.

So you've been hearing from us throughout this
process, and you just heard from a couple of our members.
I want to start by appreciating the staff for the work on
this, and especially for the stronger supplemental
guidelines to the Moyer Program. We do appreciate that.
I also want to -- I appreciate Bill from Coalition for
Clean Air's comments earlier acknowledging Diane
Takvorian's leadership on this Board and her absence here
that we're definitely feeling.

So with regard to the community selection
process, I just want to kind echo points about, you know,
we're really looking for more clarity and specificity in
how exactly the communities will be selected. The, you
know, assessment -- assessment that's planned to be
released in the summer really doesn't leave us much time
before the final approval.

And so, you know, it's concerning -- it's
concerning to us about how -- you know, how we'll be able
to engage in an ongoing way in that process.

I'll also say on the statewide strategy, as we
said before, you know, we're really looking for it to
create a strong consistent statewide baseline, sort of a minimum standard for all air districts to meet, for all, you know, community Emissions Reduction Plan to meet and to exceed. And we want to, you know, encourage those proactive air districts to be empowered, to go above and beyond.

And again, you know, the kind of measure of this program is whether it will actually provide additional emission reductions, right, beyond existing measures.

I want to also call out one absence in the draft blueprint that really concerns us, and that's the absence oil refineries. There are no specific refinery measures mentioned. And as you know, they are the largest stationary source in our state.

And then I'll say in terms of enforcement, I think we, you know, appreciate Supervisor Gioia's comments earlier about, you know, it's really important that as we all know air districts vary pretty widely. And so we're really looking for some assurance that CARB, you know, either through the Board or through, you know, another processes actually have the ability, you know, to step in and ensure strong compliance and enforcement throughout, particularly when, you know, air districts or some community Emission Reduction Plans might not be being implemented strongly.
So I'll say we look forward to continuing the conversation. Thanks.

VICE CHAIR BERG: Thank you.

MR. BARRETT: Good morning again -- or afternoon. Will Barrett with the American Lung Association.

And I wanted to just start off by saying how important we view this whole process to the future of clean air in all communities throughout California, and appreciate the staff's framing of the discussion this morning as a collaborative approach to really usher in this new realm of air quality control.

I wanted to start also by saying, I do -- I agree with Supervisor Gioia, as Stephanie from CEJA just mentioned, we do need to maintain that community trust and the engagement of communities. And I think that that -- the consistent application of local land use and air district authority to make sure that this is a success will go a long way to ensure that we have strong partners from the community level driving the discussion going forward.

We do appreciate the -- you know, looking at the list of testimony, the strong commitment and leadership by or local colleagues in the environmental justice community. The San Joaquin Valley folks have done a -- just a wonderful job in their report, as Genevieve walked
through, and really leading a path forward for the community identification process. I wanted to just applaud them quickly.

On the land-use issue in the framework, the -- there is a note about a more active participation by ARB on commenting on local land-use projects that may be at cross-purposes with 617 being a successful program. And we'd really encourage that to be an active participation by the Board really to make sure that local agencies, MPOs, boards of supervisors are making decisions consistent with health land uses, both going forward and addressing historical air pollution problems that occur because of past decisions.

To Dr. Balmes' point on involvement of the health departments, the Lung Association views this as key. My former colleague, Bonnie Holmes-Gen, was a strong advocate for this, and we'll continue to push for that. Both -- I think we need to be supportive of health departments being funded through the budget process to engage more deeply in this, but also looking at ways that they can help with developing health metrics to make sure that we're -- as we go forward, we're tracking where we are today, and where we can go tomorrow in terms of improving health through the 617 process.

So I really just wanted to thank Dr. Balmes for
your leadership on this, and restate our commitment to
working with you on that -- that front.

Finally, and I think Mr. Magavern talked about
this, we do need to see a strong focus on new regulatory
programs, new projects under the 617 lens and framework,
and really make sure, as we move forward, we're going as
quickly as possible to target existing programs and
existing funding pots to advance the goals of 617, so that
we are seeing clear emission reductions stemming from this
program, and to the benefit of public health throughout
the communities identified now, and those going forward.

So thank you all very much. This is such an
important program and we appreciate your work.

VICE CHAIR BERG: Thank you. And I also wanted
to congratulate Bonnie, and so excited that she has joined
DTSC in looking at the toxic and -- from that aspect, and
how it ties to 617. And congratulations on you, because I
understand some broad additional responsibilities. We'll
look forward to working with you.

MR. BARRETT: I feel them every day.

Thank you very much.

(Laughter.)

VICE CHAIR BERG: You're welcome.

MR. OLMEDO: Good morning, Board members. My
name is Luis Olmedo. I'm the executive director of Comite
Civico Del Valle. And I -- you know just a few observations. Hopefully, they'll be considered as the blueprint proceeds, but they go from framework to blueprint. I hope that the next version of it becomes program requirements. So I think that that would be a more appropriate name. And I think it will hopefully influence the way that the directives and guidelines are presented.

And part of the reason I say that is because not all air districts unfortunately are equal. I'd like to see that those air districts that are presenting best practices that they be instituted into the program itself, so that other air districts that perhaps may not be as interested in -- on this program could follow those best practices.

And I know I've -- there's three air districts here that have been doing a remarkable job. And in comparison to where we're at. Perhaps, that's not the opinion of the local folks, but we certainly would like to see some of those things be advanced.

Don't leave small air -- small districts behind. That's really important. We've seen that with climate investments. I think that this program is certainly doing a lot better than what -- than what we have seen in terms of climate investments. But certainly the southern
eastern part of the California still has seen a wider gap of investments in technologies, investments in emissions reduction, and so on. So hopefully this program won't leave us behind. The other thing is as part of sort of what the blueprint comment is, you know, we have challenges filling seats that belong to EJ or belong to community. They tend to end up in the hands of those more focused on representing industry.

So we really need help. We need more guidance. We need more directives from ARB to assure and guarantee that these seats are actually deliberately given to community representatives, or EJ, so that 617 is successful at the local level.

I feel like we're advanced in some areas, but we're really in the beginning stages in developing the program locally. So that's also some things I'd like to see.

You know, finally, I just want to congratulate the Board for doubling the technical assistance grants. I hope that those resources grow. I hope that there is continued support for that.

So I want to thank you for that. Thanks.

MR. SOLIS: Good afternoon. My name is Alex Solis. I'm part of Comite Civico, policy coordinator. 

I'd like to first start by congratulating the
Board and thanking them for the considerable progress that has been made to implement the mandates of AB 617. It is our consensus at CCV that although we are making progress that in order to continue moving forward and avoid any stalemate, especially at the local level, we are asking that the Air Protection Program establish more prescriptive measures and avoid any vague guidelines. We strongly believe this will be resolved at the community level, and recommend more community involvement in all communities. We are committed to assisting the Board in every way possible to implement AB 617 as we are working with other communities throughout California through the IDA Collaborative and our respective partners. We will continue to do our breast as an organization and as a collaborative to support the Board through this rigorous process. Thank you for your time. 

Good day.

MS. ARGÜELLO: Good afternoon. My name is Martha Dian Argüello. I'm the Executive Director of Physicians for Social Responsibility, and also the co-chair of Standing Together Against Neighborhood Drilling.

So no pressure that I'm the last speaker, but one, I want to start by applauding the work of the 617 Consultation Group and the deep commitment that I sense from the Board to figuring out the health metrics piece.
and getting serious about how we actually develop better health data, so that we can show that these are having actual improved health outcomes. So we know it's difficult, and I really have seen how much we have struggled with these issues and are committed.

Certainly our organization and many others are committed to continuing to work with the Board on this, because we want to make sure that 617 must be clearly and directly tied to regulatory actions. We want to make sure that the air districts work with communities to have clarity and guidance on what kind of monitors and data will be accepted.

We think 617 should provide, you know, real improved air quality. And I want to tell a story of the work we've been doing with communities that live next to oil drilling sites. So there is one site that is in the Esperanza community housing neighborhood. And it's right -- you know it's around four schools. It's less than a mile from USC. And after many years of struggle, that facility was voluntarily closed down by the operator and then sued by the city.

And then the air district put up 24/7 monitoring. And about three weeks ago through actually GGRF funds, the facility was able to put solar panels on to their roof. And the solar panels are going to back-meter, and the --
it's actually going -- the funds are going to be used to create a consume -- a computer lab for the low-income residents that live there. It is beautiful. It is wonderful.

But when you look at those solar panels and you turn your head slightly, you see AllenCo oil there. That facility is threatening to reopen. That's the -- I call that the poster child for the two things we need to make work, AB 32 -- but if 617 does -- does not end with a 2500 foot setback or a way to tell that community you can have solar panels and still be breathing contaminated area from an oil site, then we've failed.

And so that's really the kind of standard that we want to set. Our communities have been studied for years, and it's really time to figure out how to shut -- to close those facilities and figure out what the just transition looks like.

And so we hope that the 2500 foot setback again is put into the policy. And I'll tell you why it matters. Just two weeks ago, the City of L.A. introduced a new ordinance around monitoring of wells, and in there said make sure that it complies with 617. Despite the fact that for about two years we've been working very diligently toward a 2500 setback with the city council, they're watching.
And we want to make sure that the hard work of many organizations that have been working to stop this dangerous practice that happens dangerously close to people, where we have a perfectly safe alternative in the shape of solar does not continue to occur.

So we -- again, we commend all the efforts on 617. We are grateful for the funds that have been given to both us, to many other community organizations. But we have to remain diligent that at the end of the day, the promise that came with 197 that is still unfulfilled happens with 617, that the promise of having representatives from environmental justice communities on the Board is kept. The loss of the Diane on this Board I think is a -- is a great loss, right? Someone who has spent 30 or more years directly working with communities, figuring out what works, being an innovator. That's what we need to move forward and have clean air.

Thank you.

CHAIR NICHOLS: Sorry. Martha, you were the last witness that signed up. So I -- there's no formal record, because there's no action to be taken, but let's shift back to any final comments that Board members would like to make. I'll start with -- start with Hector and then move to Phil. Is that okay? You were -- I saw you first.

BOARD MEMBER DE LA TORRE: I just wanted to thank
staff for all the hard work. And I wanted to emphasize a
point that Karen pointed out, which is kind of the timing
and the big picture of how this is going to move forward,
which is there will be the 10. We clearly don't have the
resources and everything to do all 10 full bore, so it
will be the top few of those that we will focus on in
going all out on.

But that doesn't mean that the rest will just sit
there on a list. There are things -- the clearinghouse,
enforcement. There are things that can happen in those
communities, even as we're going full bore on the top
ones. So I think that's very important to emphasize, that
we are going to move forward on all of them. It's just
some are going to get, you know, both guns blazing, to use
an interesting analogy, I think, that we -- we're going to
very much focus on those. And then as we see improvements
in those, then we move down and spread our resources to
the next one, and the next one, and the next one, and so
on.

I think that's very important to emphasize over
and over again. There's going to be, when the time comes,
folks who think they should have been one of the 10. And
there's going to be folks who think they should be one of
the top two or three. And so it's really important to set
expectations, so that people know we're going to do this
with all due haste, but we have limits at well. So thank
you.

CHAIR NICHOLS: Okay. Judy and then Bill.

BOARD MEMBER MITCHELL: Well, I'll just say thank
you to staff for all the hard work. We've been at several
meetings at the South Coast region together, and it is
going to be tough to make the final decisions on the -- on
the ones that we choose.

But I think there are certain areas that do have
a very high priority, they have the worst air quality in
the nation, and we need to be focusing on those high
priority areas. In the beginning, we've said before 617
doesn't sunset. We will be looking at all the communities
across the state as we proceed with this program.

And so it's important also we see some good
results from our initial efforts. So thank you staff for
all the work you do.

BOARD MEMBER SERNA: Thank you, Madam Chair.

So, of course, I'll start by thanking our staff
as well as we customarily do on most things. But I also
want to take the opportunity to thank the staff from the
Sacramento Metropolitan Air Quality Management District
that spoke at the beginning of -- on public comment. And
they made mention of a number of local initiatives here in
Sacramento County to perform some initial very hearty
outreach as it relates to implementation of 617. And that certainly has not gone unnoticed by me, so I wanted to take the opportunity to publicly thank Jaime, and Janice, and their staff for that commendable effort.

I also wanted to issue a couple of questions to our staff. And I suspect one will be answered perhaps our fearless leader Mr. Corey. But the first question I have actually is just to underscore a question that Ms. Park from Catholic Charities asked about the blank spot in the northern part of the state. And so perhaps staff can answer that first, and then I have a question for Mr. Corey.

OCAP DIRECTOR MAGLIANO: So a couple of things. And I think you were pointing to the map of the community assistance grants. And Veronica can certainly jump in or add to this.

We did receive fairly limited number of, I think, applications in the northern portion of the state. So I think one of the things that we'll be thinking about in the next round is how do we enhance our outreach in some of these areas that perhaps, you know, there weren't organizations that submitted grants, but also some greater technical assistance, because in many cases it's more difficult for small organizations to even know how to put
together a package itself.  
The other piece of it is Yolanda was mentioning in terms of as we look at communities that we might be recommending for Emission Reduction Programs or monitoring, we'll be collecting the recommendations from air districts and communities, but we'll also be doing our own due diligence to be able to look at, you know, making sure we are capturing, you know, a good spectrum of communities, not only urban ones, but rural, whether it's the northern part of the state or, you know, down in the Imperial Valley as well.

BOARD MEMBER SERNA: So in terms of the effort to just let communities understand that the grant opportunity exists, what are we doing, other than working directly just with our local air districts? In other words, are we also working with municipalities, counties, other conduits to kind of get this information out?

ASSISTANT EXECUTIVE OFFICER EADY: Sure, I'll step in, since the grant program came under the EJ unit. We are thinking about that already. And in the last couple of months, we've assigned somebody specifically to do outreach in areas that are underrepresented. So not just Northern San Joaquin, but, you know, eastern, the northern part of the state. So we're actively doing that. And that extends beyond AB 617, and actually, we're
talking about all of our ARB programs.

    I do like your idea of more intentionally
reaching out to counties and local governments. We did
some of that, but not with a great amount of intention.
And so I think that's a really good idea.

    And then just to underscore what Karen talked
about in terms of capacity building. We made a lot of
awards. We made 28 out of 65 applications, but clearly,
you know, as Ms. Park pointed out, there are some parts
that -- where there's a gaping hole.

    BOARD MEMBER SERNA: But the way, I had the same
question she did in my briefing, so...

        (Laughter.)

    ASSISTANT EXECUTIVE OFFICER EADY: Great minds
think alike.

    So in terms of technical assistance, we are going
to be putting together some workshops, or other kind of
community smaller meetings, where we're able to go through
successful applications and talk about what made a
successful application so people have the benefit of that.
We're also planning on posting on our website the
successful applications, so that will be a resources for
people. And we're, of course, doing individual calls when
people want an individual postmortem on why they weren't
granted.
And the other thing I'll just mention is that there was a lot of mentoring that went on through this grants process, which was really wonderful. We had nothing to do with it.

We are encouraging more of that mentoring to take place. And I think that people active throughout the EJ community are aware that their might be parts of the state where they don't quite have that capacity. So we see a lot more of that too.

BOARD MEMBER BALMES: I just want to mention one thing about the staff's effort with regard to outreach to Northern California. There is a member of the AB 617 Consultation Group from the Blue Lake Rancheria representing tribal interests in Northern California. So Northern California wasn't entirely forgotten.

BOARD MEMBER SERNA: No, I understand. I appreciate the response. I know that there's others up here that want to get their questions and comments. And so I wanted to move to my last question for I presume Mr. Corey.

And that is we had a number of speakers that, in my estimation, kind of expressed this expectation or kind of danced around the subject of land-use control, who has it, who exercises it, how is it exercised, by whom in the context of 617 implementation. And as someone that wears
the two hats up here as a local elected and as a member of this board, I get a little nervous when I begin to hear, you know, advocates express that expectation, that this body ought to be doing more when it comes to flexing a muscle in the realm of land-use authority.

And so I think there's certainly plenty of opportunity to explore how local decision making, as it relates to land use, can certainly begin to take into consideration the intent of the legislation, and certainly to promote environmental justice for disadvantaged communities.

But my question is this, what are we doing, for instance, working directly with OPR, who drafts a number of different guideline documents, not the least of which in terms of its importance as it relates to this discussion, general planning guidelines for cities and counties?

What are we doing to waste no time to begin to have OPR consider how they may begin to explore, you know, best practices that local government can begin to consider, as they update their general plans, periodically, and especially now that you have a number of jurisdictions, my jurisdiction in Sacramento County included, that are adding elements, such as an environmental justice element.
And, of course, we have, you know, statutorily required elements, such as transportation air quality, which it just makes sense that there would be a lot of cross-over identification of how 617 might be implemented, again at the local level, using kind of the constitution of land use by cities and counties to do that.

EXECUTIVE OFFICER COREY: Yeah, I was waiting for the question. This is --

(Laughter.)

EXECUTIVE OFFICER COREY: A few things, Supervisor. And it really is, and I think it was clearly discussed yesterday as a core issue. So a few points. One, in terms, of OPR and under Ken Alex's leadership. I've been working with Ken the last few years, including the update to the CEQA guidelines, which we think is an important element of this.

But there -- another important point, and I think it was touched on by Supervisor Gioia that I think 617 will clearly put a further spotlight on, and that -- I think the point that he made and the way I'd actually been thinking about it is there is the assessment of the impacted communities, the actions that -- what is impacting those communities, what are the exposures associated with, what are the reductions, mobile, stationary and otherwise, engagement of local decision
movers in that process.

And that is something we need to build on and do more in terms of that discovery and participation in that process. I think that's going to be an important part of this. Because the obvious question that will come from this is how do that happen, how do we avoid it from happening again?

And I think local engagement is going to be important -- and important part of that. I think the point that Supervisor Gioia made about the freight handbook, I think that will be an important tool. And this Board directed us to or supported our moving forward this past March on a warehouse handbook, in terms of best practices on warehouses. I think that's also an element.

And also think certainly comments on proposed projects, but that generally happens at the back end. We're looking at how to get in front of this. I think it's a complex issue. It's a complex question. We're looking at a -- really a multi-tiered strategy. And those are the key elements as I see them.

BOARD MEMBER SERNA: Thank you. I would also, just to conclude my remarks and dovetail off of your response, encourage those speakers that mentioned the land-use angle that you might, you know, also advocate at your municipal and county levels for those bodies, the
city councils and boards of supervisors to begin the discussion, you know, amongst themselves, of course, with public participation and contribution in the form of workshops.

In other words, we have this new tool in our tool box to reduce emissions in disadvantaged communities, what are you doing, city council or board, to begin to incorporate that intent in your authority to regulate land use? And I can speak from experience, we have no shortage of workshops at our board on a whole host of subject matter. But that certainly would be a ripe subject matter to have some robust discussion at the local level.

Thank you.

CHAIR NICHOLS: Thank you.

I'll turn now to this end of the table here. John.

BOARD MEMBER GIOIA: Yeah, as I said at the outset, I think this is really an exciting opportunity, but there's are a lot of work still left ahead. And I'll just reiterate my point. I think the more help we can provide as an agency to local jurisdictions getting -- you know, also adding to Phil Serna's point, those who are going to advocate at cities and counties, which is the right place for land-use policies will need help on the policy side.
And I have found this, in our case in Contra Costa, our very well meaning county planners, we were -- we are looking -- we are looking at some -- permitting some warehouse projects away from residential areas. And we said we were only going to do it if we really put requirements to electrify the truck fleet, put in the infrastructure, you know, electric forklifts, all of those kinds of things.

And our planners needed help. They wanted to learn. And, you know, we brought together folks from the local air districts from -- and CARB to sort of look through a list of conditions that would be right to propose. So I don't think we can assume that the planners in cities and counties have all the new best practices. They want them. They want the help, and that's why I think our freight handbook will be really important, and we need to expand that to include, you know, the best practices for other emission reductions outside the freight sector that are going to come up as part of these plans.

Otherwise, it's going to take, years and years, and years for planners over time to develop the knowledge and expertise. But we can help them do that quicker, because we owe that to communities to have these conditions placed on new facilities. So I think that will
be a huge difference. I mean, from the advocates putting
pressure, as Phil says, to us providing some of the help
and best practices.

And then the last point again, which is I -- it
sounds like there will be a pretty robust review process
here over the Emission Reduction Plans, and whether
progress is being made to implement those plans, and
whether we shame local communities - I don't know if
that's the right word - or just draw visibility to them.
If they're not implementing those plans, I think we have
that obligation, and doing that in a respectful way,
and -- but at the same time, doing it in a forceful way.
There's a long road ahead.

CHAIR NICHOLS: Okay. Looking down the path
here. Anybody?

All right, John.

BOARD MEMBER BALMES: I've already spoken a lot,
so I'm going to make comment short, but several people
have come up to me over the last month or so, as we sort
of get close to decisions about which communities will be
in -- initially the focus of AB 617 implementation about
co-exposures, in particular pesticides has come up.

And so I just -- when I was giving me opening
remarks about how we need to work with the health
department, and I neglected to mention that the Office of
Environmental Health Hazard Assessment has been participating as well on AB 617 Consultation Group, and they have expertise to bring.

I think DPR, which is already -- Department of Pesticide Regulation, which already is doing some air monitoring in the valley, or at least they were, I think that -- I don't think we should be in the business of monitoring pesticides, but I think we can work with a sister agency to do so. And so when we pick a rural area in the Central Valley or Imperial County, for example -- I'm just throwing those out as possibilities -- that we should try to work with DPR in terms of pesticide -- ambient pesticide monitoring as well.

CHAIR NICHOLS: Okay. I think I get to speak last, unless somebody else wants to do that.

I just wanted to add a couple of things on -- really along those lines. As we move out further into the communities -- and really this is -- this is a wonderful experiment in some ways. It's -- we're doing it. We're living the experiment, but it is -- it is a test of a fundamentally different way of delivering environmental services.

And I think it is -- not to be too grandiose about it, but those of us who, you know, read the news feeds every morning with increasing alarm and dismay about
divisions in our society, and denial of voting rights, and
so forth, this is an opportunity to demonstrate democracy,
to actually help to strengthen democracy in a time where
it is in -- under attack and retreating in many, many
places.

And so that's true for how we engage with the
communities. It's true for how business learns to engage
differently with us as well. So this is not just a --
it's not a one-way discussion here. Although, it's going
to take people some time to learn how to deal with it.

But I do want to say that particularly with
respect to the first 10, whatever we call them, I hope we
don't fall into the trap of thinking that the first 10 are
chosen because they're the most important, or even
completely because they're the most at risk, or the
most -- suffering the most from exposures, because there's
a lot of questions that we still need to answer about all
of that.

And so I hope that there's more of a sense -- and
I don't have the right name for it either, but those who
become the original participants with us in designing this
program are really entering into a kind of a special phase
of how we are -- how we're going to be doing the whole 617
program.

And so I just -- I'm not trying to, you know,
dampen down desire to be part of it so much as I am just in our own minds, and as we communicate about it to make it clear that we're -- we're doing the first step, because we need to learn, and we're choosing groups that we think are in a better position in one way or another, and there could be various reasons why to help us and help others figure this out.

BOARD MEMBER BALMES: If I may, Mary. Karen and I have talked about this specifically.

CHAIR NICHOLS: Um-hmm.

BOARD MEMBER BALMES: And it's a very good point, and I'm glad you made it. I think because there is a fair amount of pressure for us to deliver both to the legislature and to the disadvantaged communities, part of our initial decisions about the first 10 will be those that have the most capacity to move forward quickly, which doesn't mean they're the most disadvantaged, because --

CHAIR NICHOLS: Right, or the best.

BOARD MEMBER BALMES: Yes, exactly. So --

CHAIR NICHOLS: Okay. Well, I just -- we'll --

I'm sure we'll struggle with that.

But the other thing I wanted to mention is that in addition to DPR and pesticide exposures, I believe we're also looking, and maybe this was mentioned and I just missed it, at other partners within CalEPA, including
DTSC, which has some jurisdiction, and some very
thoughtful people about other routes of exposure, other
ways in which people get exposed to toxics. Even if they
breath them, if those toxics are coming from the air or if
they're coming originally from soil or from roadways or
other sources that are then being inhaled, they also need
to be looked at as part of the overall burden that people
are bearing.

This issue of cumulative exposures has been with
us for as long as I've been involved in thinking about air
issues, which is a long time. And we still don't have,
you know, a complete answer for this. But hopefully we --
this will also help us make some progress in that area as
well, so --

VICE CHAIR BERG: Chair Nichols.

CHAIR NICHOLS: Yes.

VICE CHAIR BERG: DTSC has just established a new
position, which Bonnie Holmes-Gen has accepted.

CHAIR NICHOLS: Right, right.

VICE CHAIR BERG: So we have a great advocate up
there. And it's exciting what they're looking at as their
preview on toxics, and, of course, regulating our
hazardous waste facilities.

CHAIR NICHOLS: Absolutely. And it's great that
they've chosen somebody who's very familiar with the Clean
Air Act and with our programs as well. So, yeah, I think it's all -- it's all moving in the right direction. 

So once again thanks for this report. We're obviously engaged and interested.

If there are not last --

BOARD MEMBER FLOREZ: I don't want o -- I know you're in your close, but I just wanted to --

CHAIR NICHOLS: No, that's okay.

BOARD MEMBER FLOREZ: -- say as people jumped in, that I just wanted to note for the record, I'm a little worried about as we get to these ten, the capacity argument. The capacity argument argues for larger boundaries, bigger entities. And I would hope that we would focus on small, very small areas. And I'm thinking of places like Lost Hills and places like Buttonwillow, and places like Lamont. And if your eyes are glazing over and if you've never heard of these places, then that is exactly where we need to start --

(Laughter.)

BOARD MEMBER FLOREZ: -- because these are the voiceless, always brought into the capacity, not enough knowledge, not enough time, not enough technical assistance, not enough, if you will, to compete. And I would hope that we, as the Air Board, would either have our local air districts or we would be able to provide
that to get them up to speed. I would love to see the first 10 be the smallest. I'm just going to tell you kind of where I stand on this. I just feel that this is ground zero for where things need to begin.

And so I just want to say for the record, I -- you know, hopeful we can start, and start to look at these. And we should begin capacity building now, and make sure these communities are at the table.

CHAIR NICHOLS: Duly noted. Thank you.

Any other last comments?

Alex.

BOARD MEMBER SHERRIFFS: Well, I'll make a medical analogy. This is a little bit like a clinical trial.

(Laughter.)

CHAIR NICHOLS: Yeah.

BOARD MEMBER SHERRIFFS: And there are some instructive things about that. One is sometimes they're going to work and sometimes they're not. So, you know, if you think you're lucky to be in the 10, well, maybe.

(Laughter.)

BOARD MEMBER SHERRIFFS: Be careful what you wish for.

But the comments have been made about keeping it small. And I would agree with that, because this is an
experiment in democracy. And I think we see democracy working best in smaller communities and neighborhoods where people have relationships that get beyond labels.

And there's a lot of challenging stuff that is being undertaken with this. And I think that smaller community argument is a very important one for -- for developing the collaboration, and trust that has also been mentioned, that I think will be key on success. And we really would like to model success.

And I think we do have some great examples of communities, organizations, especially in the Central Valley, that have stepped forward. And we need to build on that. But I would agree, keep it small.

CHAIR NICHOLS: Okay. Two votes for small.

(Laughter.)

CHAIR NICHOLS: I'm looking forward to the discussion when we actually have some nominees for the first group.

I am going to bring the discussion to a close right now with more thanks to the people who are working on this program. It's great to see just over the space of months how our team has come in to a considerable amount of confidence and success as they move forward with the program. So congratulations to all.

We're going to take a lunch break. And I need to
announce that we will have a short executive session
during the lunch break, where we'll hear from our counsel.
So with that, let's adjourn until 1:30.

(Off record: 12:42 p.m.)
(Thereupon the meeting recessed into
closed session.)
(Thereupon a lunch break was taken.)
AFTERNOON SESSION

(On record:  1:38 p.m.)

(Thereupon the meeting reconvened open session.)

CHAIR NICHOLS:  Okay.  We're set to resume.

Ladies and gentlemen, we're back from lunch.  And
we did hold an executive session during lunch, where we
were briefed by our counsel on some litigation matters,
but we took no action.  So I need to make that report.

VICE CHAIR BERG:  And, Madam Chair, may I just
put for the record that I did recuse myself from that
closed session.

CHAIR NICHOLS:  Yes.  Thank you.

VICE CHAIR BERG:  Thank you.

CHAIR NICHOLS:  So the next item on our agenda is
an annual report from the Office of the Ombudsman for
2017.  I think most people will recall that the Ombudsman
does an annual report to us about their work in helping to
increase communications and collaboration between
California small businesses and CARB.

The office provides information and resources to
small businesses about grants, incentives, research funds,
and other opportunities.  Our Ombudsman, La Ronda Bowen,
is going to share an overview of the 2017 accomplishments
and describe the actions she and her team are taking to
find new and more effective ways to work collaboratively
with small businesses.

We will also hear from the Small Business Opportunities Advisory Panel co-chairs Alan Abbs, the executive director of CAPCOA, who we heard from this morning, and Richard McCaskill, who is the president and CEO of Recon recycling Consulting, a California small business that's based in San Diego.

Mr. Corey, would you like to introduce the item.

EXECUTIVE OFFICER COREY: Yes. I think actually that context covers it, and I'm going to go right to La Ronda to give the staff presentation.

La Ronda.

(Thereupon an overhead presentation was presented as follows.)

OMBUDSMAN BOWEN: Great. Thank you, Chair Nichols, Vice Chair Berg, members of the Board, and Mr. Corey.

I'm just going to add that I have with me as well the U.S. EPA Kathy Taylor, and Josephine Fleming from the California Green Business Network. They're going to talk about the grants that we have, so they were confirmed before.

So in 2017, as Chair Nichols said, we continued working to bring small businesses more and more into our regulatory process, developing tools and resources for the
California Air Resources Board program staff to begin to help them identify small businesses earlier, and engage them in our regulatory processes.

So the first step in this process is consultation, when we talk about take stakeholder engagement. And we focused on bringing these small business subsectors and industries into the CARB's regulatory process.

Our goal is to support the CARB in making rules that are more easily implemented, and which can be more equitably enforced. So we continued the work of the past two years providing compliance assistance, tools, and problem resolution to small businesses, but also with this new focus.

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OMBUDSMAN BOWEN: So today's presentation I will quickly provide an overview of the ombudsman's mission and our major functions, use a few slides to answer the question of why focus on small business? We do get that question still. Highlight the 2017 accomplishments, including our work with U.S. EPA and the disadvantaged communities.

You'll hear from Josephine Fleming, Executive Director of the Air -- of the California Green Business Network, and a subcontractor to Air Resources Board on the
U.S. EPA pollution prevention grants. And you'll hear from Kathy Taylor, the Assistant Director of the U.S. EPA Region 9. And she will bring together the value of the CARB and EPA Ombudsman collaboration with the CA GBN.

I'll then introduce our Small Business Opportunities Advisory Panel led by co-chairs Alan Abbs and Richard McCaskill. You've met them before. They're in opposite order this year, so -- because they're co-chairs, I wanted to make sure that was even. And then we'll wrap-up our presentation with a brief look ahead.

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OMBUDSMAN BOWEN: So overall, the mission of the ombudsman is to support the CARB, to achieve U.S. EPA and California's clean air objectives by integrating small business and other stakeholder perspectives into our regulatory processes.

This helps California sustain a health economy and encourages current and next generation support for environmental progress.

So in 2017, we increased our efforts to assist CARB staff to earlier identify rule-related small business industries and contacts as part of a pilot program on regulatory integration. The ultimate goal is to facilitate staff to small business owner connection for easier integration into California -- of California's
small businesses perspectives into our regulations and policies.

We also began an effort to promote small business adoption of ZEVs by encouraging larger firms to reach down their supply chain, and inform small businesses of incentives to move to zero-emission vehicles. Both of these efforts are continuing in 2018.

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OMBUDSMAN BOWEN: So what are our functions?

Basically to provide help and problem investigation and resolution to the public. To implement our mission, we do these tasks, we work with other agencies and CARB staff, we offer impartial independent and sometimes confidential assistance to the public and small business.

We also facilitate discussion between customer and program staff as we try to engage small businesses in the rulemaking process. We're providing a lot more resources now to the staff, as I've mentioned before, but also building capacity with the small businesses. And this process helps us to identify -- provide CARB's opportunities to correct or revise internal processes, and also to anticipate upcoming issues.

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OMBUDSMAN BOWEN: So when the businesses are
involved earlier, we get a lot of benefits out of that.

But we focus on small business for a number of reasons. One of them is that they're a key driver of our economy. So, for example, our function helps to implement the Clean Air Act requirement for small business compliance assistance. But small businesses are critical to an innovative and economically successful California.

Both California and the U.S. EPA define a small business as independently owned and operated, and employing a hundred or fewer people. Using information from the U.S. Small Business Administration's 2018 state profiles, California has 3.8 million small businesses meeting that definition.

The smallest firms, those employing 20 or fewer people, have the largest gains in net jobs. I think it's 2015 data that that was from, but it was in the 2018 -- in the 2018 report. These businesses most frequently reach out to the Ombudsman for assistance.

So when you look at our customers, they're -- they are definitely this 100 or fewer employees, and most of them are in the 20 or so.

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OMBUDSMAN BOWEN: And we focus on them. Over the years, we've found there's -- there's not only a need for our assistance -- early in engagement in the rule
development process is critical for them. And it's because they need these long lead times to think about the business, to think about the cost, to figure out how to get the money, et cetera. They need rules in plain language, tools. We've developed some in the past. We continue to develop them, and certainty.

So these -- these needs are common, and they include the items I've already described, but money, and incentives, and certainty, along with the long lead time seem to be the most common ones.

So in compliance assistance, the compliance assistance that we provide to the businesses -- we can go to the next slide.

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OMBUDSMAN BOWEN: Ombudsman works with program staff, air districts, economic development corporations, et cetera to connect small businesses with funding. That's one of their big needs. We appreciate that CARB staff expanded opportunities for small businesses to participate in truck stop events by holding them in rural areas, like Fortuna.

This was a response to the small businesses asking to be able to connect with these events, where they actually are. So they were asking not to have the meetings and the workshops always in the same places, but
to get out into the different areas.

So I'm going to just explain what the pictures are. As you look at the workshop participation, we research issues internally. But as you look at the pictures, we recognize also in addition to truck stops and events that we put on, voluntary work.

And so you see two people on a bicycle both were CoolCalifornia winners. The pedal power from the patrons at the gym is driving the generator at the gym. So there's no outside electricity being used there.

So in addition to assisting these external stakeholders, the ombudsman increased our assistance to internal staff for engaging small businesses and regulatory development. And our focus continues to be on identifying them. Their whole industry is their contacts. And we're doing this for consultative purposes with our own staff.

So this is again all part of a pilot program to bring together all the benefits that small businesses can offer, to meet them where they are, and to get the information to our program staff early and timely, so they can engage the businesses.

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OMBUDSMAN BOWEN: And so in 2017, we -- our focus was on greater small business engagement -- you're going
to hear me say this over and over, because that's really where we spent our year. -- and to integrate them into the CARB's regulatory and policy development. So we continued to -- the work we had shared in previous presentations to collaborate with program staff and trade associations, with utilities, and supermarkets. We continued doing all the things that we were doing.

But what we did differently this year was to bring together the work that staff is doing. So on these particularly items, we engaged specific small business sector. We brought the dairy farmers into -- more -- small businesses dairy farmers into the work on methane emissions. We continued the work on the refrigerants and the air toxics from the dry cleaners. We continued with truck loan programs.

For the first time, you'll hear -- you'll hear Richard McCaskill talk about this. But we engaged in the 617 effort. And so we actually had our co-chair show up at one of the meetings and make a difference there.

And finally, I want to bring up the U.S. EPA pollution prevention grants. We have done three grants with the U.S. EPA. Joe is going to speak to us about the second grant. And I think that Kathy is going to speak to us about both of them that will come up soon.

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OMBUDSMAN BOWEN: So let me just introduce
Josephine Fleming. Josephine Fleming is the director of
the California Green Business Network. And she will give
a brief overview of the California Green Business Network
and share the highlights of our work for her -- that her
group has done to expand the green business program into
disadvantaged communities.

Following Ms. Fleming, we will hear from Kathy
Taylor, Associate Director of U.S. EPA, Region 9. Ms.
Taylor will share thoughts on the collaboration between
ARB and Region 9, including her take on our current grant,
which will conclude at the end of this year.

Kathy is the assistant administrator of the Land
Division for EPA's Pacific Southwest Region covering
California, Arizona, Nevada, Hawaii, the Pacific Islands,
and 140 tribal nations. She has been with the agency for
over 30 years beginning her career in Washington D.C.
before moving on to the region.

In her current position, she has responsibility
for zero waste, pesticides, toxics, children's health.
And she has held -- led both regulatory and non-regulatory
programs. Her work on pollution prevention and industry
and community partnership began early in her career,
managing one of EPA's industry partnerships in seeking
work with partners and communities to reduce the use of
industrial toxics, improve company bottom lines, and engage communities in working together with industry to reduce environmental and public health impacts.

Today, the work of the zero waste program includes both offering grants to states to environmental organization, industry, and community organizations, as well as staff effort on green building, pollution prevention, and sustainable materials management. So you'll hear from Kathy.

But first, you'll hear from Joe.

Jo.

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MS. FLEMING: Thank you, La Ronda and thank you to your Board.

The California Green Business Network is incentive program to motivate businesses beyond environmental compliance. Our mission is to lead the State and the nation in developing a healthy green economy with small and medium business partners.

Businesses work with local green business coordinators who help them conserve and reduce greenhouse gas emissions using local resources and rebates. We have recognized over 3000 businesses. And in 2017, it's estimated that our network of businesses saved over 782 million pounds of greenhouse gas emissions, 43 million
kilowatt hours of energy, almost 270 million pounds of waste diverted from the landfill, almost 60 million gallons of the water, 16,000 gallons of hazardous waste, and an estimated 40 million in energy, waste, and water utilities savings.

There are now 33 green business programs throughout the state. And our goal is to cover the entire state. About four years ago, we overlaid the EnviroScreen map with our map here that you see before you. And you'll notice that our programs see coastal in nature.

And we decided that we wanted to cover more of these. We wanted to cover more of these. We wanted to offer our program to more programs in the central coast, and in the far north, and we wanted to reach more of our disadvantaged communities.

We knew that these communities were unlikely to have resources, and might even be unaware of some of the conservation opportunities for their businesses. So to make a difference, we needed to find local champions. And thanks to funding and collaboration with the U.S. EPA Region 9, and your Board, and staff, we have been able to expand our green business practices into these harder-to-reach regions.

As a result of our collaboration, we learned many things. We adjusted our program into tiers to lower the
barrier for entry. And we started offering more direct rebates to businesses in disadvantaged regions. These learnings from our EPA grant-funded activities have given us a roadmap, a template if you will, to assist many more communities to create greener businesses.

There are many uplifting anecdotes about green businesses. I want to share just a few recent ones that directly benefit air quality in California.

The Perennial restaurant in San Francisco is teaching their patrons how food can reverse climate change. Bob's Cleaners of Richmond eliminated solvent use by using wet cleaning and carbon dioxide for garment washing. Scotts Body Shop eliminated a large source of volatile organic compounds by using aqueous base coats on the vehicles they paint. Marin Housecleaners uses less toxic cleaning chemicals with no volatiles. Green Commuter, a business in Los Angeles, is helping green businesses promote and incentivize mass transit and alternative, active commutes. And these are just a few of many.

So thank you for hearing our story, and I'll now hand the mic over to Kathy Taylor from U.S. EPA Region 9.

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MS. TAYLOR: Thank you very much, and thank you for giving me the opportunity to speak to the Board about
EPA's Pollution Prevention Program, to thank you very much for the work that you've done collaboratively with us, and to explain a little about why the P2 grants and specific the Mandela Foods Cooperative project is so exciting for us.

The EPA Pollution Prevention Program supports projects that utilize P2 source reduction techniques to help businesses reduce and eliminate pollution from their operation. Reducing the environmental footprint in the food manufacturing, processing, and distribution industry is one of EPA's national priorities. And it continues to be a focus of our grant programs.

We very much support -- appreciate the work that you've done with us through those grant programs. We've awarded three pollution prevention grants worth nearly a half a million dollars to CARB to work with the California Green Business Network. These projects have been well worth our effort.

Each has resulted in significant, measurable, environmental, and public health outcomes. The latest grant has provided the opportunity for you and the Green Business Network to lower barriers to establishing green business programs in disadvantaged communities, to more effectively leverage the power of the green business programs working together, and create a green business
program focused specifically on food.

EPA, CARB, and the California Green Business Network, and local stakeholders held three workshops for the food manufacturing and processing sector this year that produced a green business checklist and helped EPA develop best practices and outreach recommendations to help the sector in achieving certification.

We've mentioned briefly before the Mandela Project, and that's working with a food cooperative in West Oakland. To receive green business certification, they met requirements to conserve resources and prevent pollution. They installed energy efficient LED lighting, and added covers to refrigerator coolers in the store to reduce energy, and their electric bills.

Mandela Cooperative is also teaching environmental stewardship to residents who are co-owners of the facility. We are -- EPA are particularly excited about the Mandela Project, not only for its environmental and public benefits, it's promotion of environmental stewardship in the community, and its documentation and reporting of results, but also for its focus on small businesses in disadvantaged communities.

There are great needs in these communities, and we know that this group is often harder to reach than the more affluent communities.
EPA recognizes our obligation to do better in engaging these communities in our environmental projects, our public participation process, and in the development of our rules and regulation.

This project is a good example of how we make inroads to these communities, while helping the small businesses be more sustainable, more economically viable, and more participatory in our regulatory programs. It's an important example that EPA will use as we move forward.

A key goal of our grant program is to provide seed funding to develop self-sustaining, pollution prevention initiatives. And we know that this project is just that, a proven program that has worked with thousands of California businesses to document and share green business practices and results.

I know that your staff are currently working on the results from the latest project, and they're working on ways to compile and share them. We really appreciate this, and we often do projects which are -- we have great anecdotal representations of the work. But to have the data that we need to actually justify why we're giving this money out, and what we're doing is important to us, and you have done a specifically really great job on that. So we thank you for that.

I want to thank both CARB and the Green Business
Network, and the many California businesses for the dedication and leadership to promote sustainability. I look forward to continue to work with out on projects that promote sustainability by reducing environmental and public health impacts, promoting economic viability, and creating jobs that support the workforce.

And with that, I'm going to turn it back over to La Ronda.

OMBUDSMAN BOWEN: Thank you, Kathy.

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OMBUDSMAN BOWEN: Now, we're going to -- now we're going to turn to the Small Business Opportunities Advisory Panel. The Clean Air Act mandated the states and all of the territories to have a Small Business Advisory Panel to provide small business perspectives to the regulatory process. The California SBOAP is co-chaired by Richard McCaskill now of Fruition Consulting. You guys will remember him from Recon Recycling. He's now, serial entrepreneur that he is, in another area, still doing recycling consulting as well. And Alan Abbs, executive director of the California Air Pollution Control Officers Association and the ARB Ombudsman.

Members are primarily regulated small business owners who have a history of compliance with regulations, a reputation for working collaboratively with regulators.
and others and who are active in their industry. We meet quarterly, usually once in Sac, once at a member business, once in So Cal, and once by phone.

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OMBUDSMAN BOWEN: The stakeholder engagement is the critical thing that's tying all this together this year. In 2016, the SBOAP identified early and meaningful engagement of small business as their top priority. This pared down stakeholder engagement chart focuses on the key players and elements of effective small business engagement.

ARB does a great job reaching out, and our staff has been very, very responsive to the comments they've gotten from this office and from the SBOAP members, and from the small businesses in the rule development process. I just want to put that plug in, because it's true.

So the first step in the box is where we are now. We are identifying potential small businesses that staff can engage in mutual consultation. It's more like brainstorming in the very early thinking-it-through stages of developing a rule or a policy.

So just a couple of the programs that have worked with us already: The PSIP, Periodic Smoke Inspection Program, Heavy-Duty Vehicle Inspection Program, the off-road rule that was looking at landscape equipment, and
currently we're working with vapor recovery on that team in the research.

    The first step -- so that's where we are.

    Next, the more educational aspects of engagement, including workshops will answer some of the how and specifically when kinds of questions. If these first two steps are done thoughtfully, they will save CARB much time on the other side of the equation. So it takes longer to find them and engage them early, but then it saves time on the end, because we know what kind of tools they need.

    So the businesses need to get their regulations and permits to comply. That's the next part of the box after we have incentives and everything that we know the business needs. It's time to adopt the rule. When the rule is adopted, the business has to get their registration or permits.

    And what we don't yet have a good way of managing is the sort of compliance monitoring piece. I'm putting this up for more thought. But the idea is once we pass the rule, often we go into enforcing it right away. And yet, we know that there's some things that need to be worked out still. We don't know what all the problems are going to be. So that's -- that's one thing we're thinking about.

    Then there's enforcement. And the SBOAP has been
very supportive of strong And effective enforcement. And so that -- I want to make sure you guys are aware of that.

So that's the process. There's a continuous feedback loop. One of my goals, one of the Ombudsman goals for this year, is to consolidate and make available to all the staff, the programs all the learning that we've gained this year so far. And so that's -- that's one of our primary things, what are the consistent issues that come up, and what are the consistent solutions that we find, and where are there still gaps?

And so now I'm going to introduce our co-chairs. Alan Abbs. Alan Abbs is the executive director of the California Air Pollution Control Officers Association, and he represents the state's 35 air districts in his normal job.

He is also the air district co-chair of the SBOAP. Alan brings the perspective of a former air pollution control officer from a -- from the small districts of Tehama and Lassen, and he will share the value of the new perspectives in achieving climate goals, and also ways in which ARB and the districts are collaborating to provide greater compliance and assistance tools and funding to -- in the rural areas, and for California small businesses.

Alan.
CAPCOA EXECUTIVE DIRECTOR ABBS: Thank you, La
Ronda. Good afternoon, Madam Chair and members of the
Board. I'm Alan Abbs from CAPCOA.

We had a small business opportunities meeting
yesterday. And I was told I should tell the story that I
had told when I made my introduction. I'll cut it short
and keep it to the 15 second version.

But when I was a young engineer, I was working at
a small paper mill up in Red Bluff, and I got -- I got an
NOV from my air district at the time. And I rapidly
learned, you know, what it meant to be in the regulated
community, and get a notice of violation from the air
district.

And then a couple years later, I turn out to be
the APCO for the same air district. And during my
interview process I said, hey, I've gotten an NOV from
this air district. I know what it means to be regulated,
and I know what it means to, you know, work with the --
work with small businesses to -- you know, to get to the
goals that we want to get to.

I think when you look at what -- what's been
happening in the last five plus years in the air quality
world with the focus on disadvantaged communities, looking
at the 617 process, looking at the different rules that
have -- the Truck and Bus Rule, the freight strategy, all
the incentive programs that have come about in the last
couple years, the emergence of sensors, and monitoring,
and using that information to inform air quality policy, I
think it really speaks to the need to make sure that
everyone can stay up-to-date with what's happening in the
world of air quality regulation.

And you see at a lot of these meetings we have
good representation from environmental groups and we have
good representation from major industry groups, and
associations. But a lot of times, you don't see
reputation from small business. And so that -- that
speaks to the importance of the Small Business
Opportunities Panel, and trying to keep small businesses
informed, and let them know about ways that they can
continue to get informed, and to impact public policy as
we go forward, because there's a lot of things happening,
and their voice is especially needed as we try to work our
way through all of this.

So, you know, large districts and small districts
are both going through all this stuff at the same time.
The large districts obviously have more resources.
They're going to be able to do a lot of things. Small
districts not so much. But in the end, the impact on
small business is the same. You know, the regulations are
made, the policy is made, and whether you're in Redding or
down in Bakersfield, you know, you're going to have to figure out a way to comply, and hopefully be part of that process. And so -- so this is a good -- a good thing that La Ronda is working on, and we highly support it.

I'll just mention one other -- and so it's critical in the future that small business plays a role in the outreach process, being part of the community process for 617, attending the meetings, providing their perspective when communities are nominated, being able to participate in the Emission Reduction Planning process with everyone else, and then also being part of the incentives process, so that we can make sure that incentive money is efficiently sent to -- to businesses and individuals that need it most, and that are going to get the most amount of reductions for the least cost.

And so just as an example of a couple incentive programs that are on the ground and running today, we have the FARMER Program. A lot of that money is going to the San Joaquin, but there is a significant portion that's going up to smaller air districts that -- you know, places like Mendocino County, the north coast, Siskiyou and Trinity. And we even had -- down at the Riverside CARB meeting, we even had representatives from Northern California make the trip down to speak on behalf of programs like that and make sure that there were incentive
monies going to smaller -- smaller rural counties that have small, you know, business-run family operations.

And then also the wood stove program, which is primarily going to the rural parts of the state, but this is also a great opportunity for small businesses to basically clean up their local communities by changing out 30 plus year old wood stoves with new efficient wood stoves that are going to have a lot less emissions or doing a changeover to natural gas or some sort of electric heater. And so I highly recommend keeping programs like that going to again get emission reductions in the most efficient way as possible in some of the areas that need it most. So thank you very much.

OMBUDSMAN BOWEN: Thank you, Alan.

I'm going to introduce Richard now.

Richard McCaskill skill -- did I introduce him?

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MR. McCASKILL: Thank you, La Ronda. Chair Nichols, and members of the Board, I appreciate the opportunity to present the Small Business Opportunities Advisory Panel today. Co

My co-chair covered what SBOAP is or who we are. Today, I will talk about our focus in 2017. The main goal of the SBOAP is to ensure a permanent place at the policy and regulatory table for small businesses owners and
operators who ARB expects to implement regulations to meet climate change and air pollution reduction goals. We believe implementing the stakeholder engagement process La Ronda presented today, in a scaled down form, will get us to a acceptable and sustainable baseline of engagement.

When the SBOAP first shared our top two priorities with this Board in 2017, Board -- Board -- at our 2017 Board meeting, we were not sure how the Air Resources Board would respond. We knew that early engagement of small businesses, and regulatory process, and better economic analysis were big steps for ARB to take. We also believed that they are essential to our common long-term success.

Before fund-raising these priorities at your Board meeting, we already discussed these priorities with your economic analysis staff and representatives from various CARB rulemaking and incentive programs during our quarterly SBOAP meetings. Additionally, we worked with your former enforcement chief on making enforcement more equitable.

The responsiveness of AR -- of your ARB staff to our priority request surprised us. We understand that it is very challenging to look back at the actual cost of implementing regulations and compare them to projected costs, but your economics team did not just say no.
Instead, we understand that the economics team is looking into how to accomplish this objective.

We think this is critically important to ARB's regulatory credibility to small business, and to understanding economic impacts of regulations on small businesses. Similarly, SBOAP was pleased when La Ronda informed us that Richard Corey asked ARB programs to participate in regulatory pilot tests to see if and how the agency could better identify and reach out to small businesses as one part of the regulatory integration experiment. We appreciate CARB taking the Council of SBOAP seriously and acting upon it.

These efforts encourage us to know that our time is well spent here. In 2017, your Small Business Opportunities Advisory Panel, SBOAP, began to participate with CARB's new AB 617 efforts. Last year, I attended your San Diego meeting. At the table were I sat, there were several government representatives, and two community residents, including me. I gave the other residents suggestions for addressing her issue with truck drivers that were using her residential street to get away -- to get away to the freeway a little faster. I felt happy to help, and she seemed genuinely appreciative.

Also, last year, after listening to part of SBOAP's meeting with -- or SBOAP's meeting, where AB 617
was discussed, the executive director of a two-person small business chamber of commerce decided to work with his chamber members, a school district, clean car dealerships, and other businesses and community organizations to submit a proposal for a project in his disadvantaged community in the Los Angeles area.

We think each of these examples, along with our recognition that of all the needs small businesses have, the two identified as most critical when implemented will address most of the others, and the demonstrated agility of small business organizations to see and respond to new opportunities are good indicators of the innovative ideas and commitment small business can bring to CARB.

We are the enthusiastic and critical links to the people and communities you need -- you need to reach in toward to achieve your goals. We know, understand, and influence communities from San Diego to Fort Bragg, and all areas in between.

Thank you.

I'll turn it back over to La Ronda no.

OMBUDSMAN BOWEN: Thank you, Richard. I didn't do a proper job of introducing you, but there's a little story about Richard that I want to -- I want to share.

Richard came to us through the CoolCalifornia Program. That's how we met him in the first -- he and his
wife in the first place. And in just a handful of years, he and his wife built a recycling business from zero employees to 15, and a million dollars in gross sales.

During that time, Richard helped the City and county of San Diego visualize and transition to an innovative waste handling system, which promotes greater entrepreneurship, true recycling, and less landfill disposal.

This program has been implemented, and I spoke to someone this week from the program, and they acknowledge that the expected increase in employment of hard-to-place workers like disabled vets and chronically unemployed residents is taking place, that the income tax from these people that were formerly on welfare being able to pay into the city coffers has been a benefit, and that they've had decreased social assistance costs to the city for these kinds of programs.

And I bring this up, because they also said the reduced road damage, repair costs from the lighter-duty trucks taking on some of the load that would have been handled by heavy-duty waste management trucks.

I bring that up, because one of the things we're trying to get out of the whole SBOAP process is the thinking of the small business people, the innovation, the different way that they think. And we're trying to make
sure that we have a way and a method for incorporating
that into our work.

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OMBUDSMAN BOWEN: So that concludes our
presentation today. We are open to any questions from the
Board. And I want to thank each of the panelists. Thank
you for coming. Thank you for being here. Thank you,
Alan and Richard. They were both here for the SBOAP
meeting yesterday, and appreciate their support.

CHAIR NICHOLS: Any questions or comments?
You're our small business member. Okay. We'll start with
Sandy and then move to -- move to Alex.

VICE CHAIR BERG: Yeah, I can't help but jump in
here right away, because I really want to first compliment
the group. And under La Ronda's leadership, it's really
been remarkable watching. I've been involved with the
Small Business Group I think for 10 years now, and
certainly with La Ronda since she started as a small
business owner, and having an understanding of that.

And what you have put together, how your plan, La
Ronda, has come together to culminate the interaction of
our agency with small business and this new plan that you
put together. And Richard, thank you so much for your
five years now, I think, and being involved in the
leadership. It's really impressive.
And we put that together with what we're doing with our communities and how this agency truly is looking at implementation of regulatory impacts, along with what is needed, it really is a new paradigm in a lot of ways. And a lot of hard work has been going behind the scenes. It's not easy. Everybody has a full-time job besides what we're doing here.

And that's really even true with the Ombudsman's office. If you think about the work that the Ombudsman's Office does with interacting with all sorts of sizes of companies, with various regulatory problems, or asking for assistance, that is a lot of work.

Then with the programs, along then with building this small business community to really participate, it's very, very impressive. So congratulations. I thoroughly enjoy the times that I get to participate with you directly. And just want to encourage you, and continue to offer my full support. Congratulations.

CHAIR NICHOLS: Great. Thank you.
Dr. Sherriffs.

BOARD MEMBER SHERRIFFS: Yes. Thanks. Thanks for those. Certainly agree with those comments. And having been a small business person with a medical practice, I understand many of these issues, and how much fun it is interacting with the regulatory world, and all
of that.

   I guess two questions. One -- well, one --
one -- one is in terms of I see 617 as a huge opportunity
for engagement and involvement with the small business
community. And interested in hearing more about your
thoughts and how to -- how to foster, take advantage of
that engagement, get the small business community involved
in 617 and the goals of 617.

   The other is thinking about myself as a small
business, and, you know, how does anybody get my
attention? Because I think small businesses very much
want to participate in these kinds of programs. It's
something they see, because they're part of the community, and
they see this stuff as good for the community, and
they want to do it.

   But it's hard to reach small businesses, and, you
know, if you reach a small business, well, great. You
know, it was three jobs, one business. And, you know,
that doesn't seem like a very big dent.

   And I was thinking, well, how would you reach
doctors' offices? Well, you know, it would be through the
professional organizations, I think. That might be the --
an important way of accessing. So I'm thinking about
other professionals, other kinds of business
organizations. And not necessarily through the big
chamber, because I think the small businesses get swallowed up in that, but smaller organizations would be a way.

But again, looking ahead, boy 617, huge opportunity. And so interested in thoughts that you have comments about leveraging that.

OMBUDSMAN BOWEN: Yes. Thank you. Do you want me to address them one by one or as -- yeah, one by one.

Okay.

VICE CHAIR BERG: (Nods head.)

OMBUDSMAN BOWEN: So, Dr. Sherriffs, we agree that getting the small businesses involved is really critical. And part of this early engagement of small business, or early identification of small business, we're looking not just on the regulatory side, what regulations they're going to be engaged in, but what are the opportunities to actually develop a tool so whoever is here can look in one place and see what is the industry, what are the small businesses, what are their trade associations that they belong to that that they recommend to us.

We ask -- we're asking them where do you go for information? We ask our SBOAP members, and whenever we engage with a small business, we ask them the same question.
And we're developing that into one tool, so it will have -- well, by the NAICS Codes -- the Industrial -- National Industrial -- North American Industrial Classification System, here's the industry, here's down to a six digit, so you actually are looking at the small business. You're not just looking at, you know, medical, but you're looking at, you know, specific kinds of medical. And then we're finding -- we're finding that information. We're putting it together with -- then when we have rules or regulations that we think they should be engaged in, how do we -- how do we reach them there?

So that same information that we're developing for regulatory purposes, we're also using for other purposes to inform them of all of our programs, including all of the notices that we get. We're trying to get them to sign up on listservs, so they also have some proactive step, because we already know that they will respond better.

One of the benefits of the EPA grant, the third one that we're working on, with the food manufacturers, one of the question asked to them at the workshops was how do you want to get information? Very different than our question, which is always how can we do it in cost effective, et cetera, it's how do you want to get information?
And they told us, we want to -- we don't -- we'd prefer not to have it in email. We'd prefer to have a card, something small, but it has your logo, your name. We know it's coming from -- it's just spam mail, but it's really important, because it comes from a government agency. So a government agency still carries a lot of weight. And then just what is it you want us to know? Give us a website, a phone number, and a contact person.

And so we're taking that to heart, and when we the -- one of the things we want to complete this career, as I said, is this toolkit for the staff. But it would work for 617, and for other things. Now -- right now, what we're doing is letting them know we have -- you know, we rebroadcast the notices that come out, but we have identified quite a few community -- about a year ago, I think it was Vice Chair Berg who told us go find the champions.

So we've been out finding the champions and getting the information that we have, you know, internally out to them, and encouraging them to help small businesses.

Today, I corralled the three air districts, and I said, hey, we're going to have a separate meeting and talk about this, so -- and as we were doing Board briefings, Supervisor Gioia asked, you know, do we need help getting
more people on the SBOAP, because the SBOAP members, some of them are retiring. And as new ones come on, they -- they also help expand the word.

So we're reaching out. We're completely open to more ideas. We spent an awful lot of time finding ways to engage. So have -- any thoughts you have, we'll -- I wrote them -- the ones you put down there, but we'll reach out to the medical people, for example, because they can reach out to their -- to their patients. Some of those patients are going to be small business.

And it's that kind of thinking that got us to -- I was thinking about Fortune 500 companies. And they have a lot of small business suppliers. So then I thought, well, why don't we just focus on California, and why don't we focus on the zero emission vehicle piece. So that's just the same approach.

CHAIR NICHOLS: Thank you.

Any other comments or questions?

No.

Okay. Thank you for coming in. I appreciate your making the trek, and keeping us informed. We do rely on Board Member Berg to keep us posted about what's going on, if we're not hearing from you directly. But I can see just the evidence from the regulatory proceedings that we are involved, and that there's the -- perhaps the opposite
side of the coin which is that we -- and from my correspondence as well, that we don't get the kinds of letters that we used to get a decade ago from people who are complaining that they haven't heard about some rule that they're about to have enforced against them, or that they're not aware of what's going on.

And while that isn't a -- you know, that's a negative -- it's an absence of a negative, I guess. But, you know, that's not so -- that's a valuable thing as well, when you're in government to know that you're not stirring up, or causing unnecessary pain in a -- to an important group of people who are our constituents.

So I think we have both that as well as now a much more positive -- more positive agenda to look at. So I appreciate it very much. Thank you. And if we don't hear from you before, we'll see you next year.

Thank you.

Okay. Let's then -- since we don't have to take any action, we'll let this distinguished panel go, and hear from our staff. The next item is an update from the Enforcement Division. So this is another annual -- annual event, but it's an important one for us to keep an eye on.

The Enforcement Division publishes an annual report that summarizes -- summarizes the agency's enforcement actions in the previous year, and highlights
their key priorities and projects for the coming year.

It's also a chance for us to monitor one of the most important, but oftentimes least visible areas of our program, except when we have a big case that makes it into the press or generates a large settlement.

By and large the work of the enforcement Division does not get covered. And so it's good to hear from them about what's actually going on there, since I think we all know that an effective enforcement program is a key element, if not the most important element, of having and effective regulatory program.

So with that, I am going to ask Richard Corey to say a few introductory words.

EXECUTIVE OFFICER COREY: Thanks, Chair.

As you noted, enforcement is a necessary part of our air pollution control program. Enforcement efforts helped to assure compliance, and in doing so ensure that public health benefits of our programs are realized, while maintaining a level playing field across the regulated industries.

Today's presentation discusses important elements -- or rather achievements in 2017 and ongoing areas of focus.

And with that I'll ask Rachel Connors of our Enforcement Division to give the staff presentation.
Rachel.

(Thereupon an overhead presentation was presented as follows.)

AIR RESOURCES ENGINEER CONNORS: Thank you, Mr. Corey. Good afternoon, Chair Nichols and members of the Board.

Today's presentation will provide an overview of the annual enforcement report, which discusses our enforcement accomplishments in 2017 and our priorities for the future.

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AIR RESOURCES ENGINEER CONNORS: My presentation today will start with an overview of our program. We will then discuss how we are focused on environmental justice goals, and how we are evolving enforcement programs to be more effective and efficient.

We will discuss highlights of key enforcement efforts and cases in 2017, and then discuss our enforcement focus for 2018.

I'll start with a quick overview of our program.

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AIR RESOURCES ENGINEER CONNORS: Our enforcement programs are focused on public health and environmental protection. In applying our enforcement programs, we strive to be responsive to the public, and to be fair, and
even-handed in the application of enforcement, so that our program provides a credible deterrent to noncompliance.

No matter the source, our goal is to achieve comprehensive compliance in every rule that we enforce.

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AIR RESOURCES ENGINEER CONNORS: To meet this goal, we evaluate compliance rates in our programs that serve as metrics to prioritize enforcement efforts. We evaluate data, and conduct inspections to identify violations, and then work with industry to resolve noncompliance through compliance assistance and penalty assessment.

An appropriate penalty will remove any economic benefit of noncompliance, and serve as deterrent across the industry to future violations. Most often, we settle cases with responsible parties, but we also work closely with the Legal Office in litigation when necessary.

We also try to identify lessons learned through our enforcement experience and feed this information back to program staff to ensure effective, enforceable regulations.

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AIR RESOURCES ENGINEER CONNORS: In 2017, we updated our penalty policy into a broader enforcement policy through a public process. The resulting policy
describes our fundamental approach to enforcement through the eight factors we must consider by law.

The policy now prioritizes cases by establishing a minor violations framework and expanding our commitment to voluntary disclosure to help ensure our efforts are directed where they have the greatest impact.

In our commitment to transparency, we published the policy -- in the policy, the range of penalties that have been assessed for violations for each program enforced.

We have updated that penalty summary in this year's annual report.

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AIR RESOURCES ENGINEER CONNORS: In 2017 -- 2017 was a successful year, and our report today will provide highlights and describe why those highlights are important.

In this report, you will hear about the successful implementation of our new SEP program, and results of our expanded efforts in disadvantaged communities. In addition, you will hear about compliance assessment in key programs, and important cases resolved through litigation and settlement.

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AIR RESOURCES ENGINEER CONNORS: Let's start with
our focus on environmental justice.

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AIR RESOURCES ENGINEER CONNORS: A key focus of our enforcement program is working towards environmental justice. We know that the benefits of the substantial air quality improvements achieved to date are not evenly shared, and we are focusing our enforcement efforts in disadvantaged communities to ensure that everyone can breathe clean air.

We attend local meetings across the state to better understand local issues. We also encourage applications for supplemental environmental projects to help address community issues.

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AIR RESOURCES ENGINEER CONNORS: Part of our environmental justice effort is to strengthen relationships with communities affected by pollution. These are the locations where we have participated in community meetings. In 2017, we expanded our outreach to tribe as well.

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AIR RESOURCES ENGINEER CONNORS: An important tool that helps us address environmental justice is our SEP program. CARB's SEP policy allows for community-based projects to be funded from a portion of the penalties
received during settlement of our enforcement actions. We
updated the SEP policy in 2016 and started implementing
the policy in 2017.

We began by looking to communities for projects
through several rounds of workshops. We have implemented
new procedures to evaluate SEPs, and approve them at the
executive office level. Once projects are approved and
placed on the public CalEPA eligibility list, AB 1071
allows settling parties the opportunity to direct up to 50
percent of their penalty towards a SEP. In 2017, we also
established procedures to track project implementation.

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AIR RESOURCES ENGINEER CONNORS: In the first six
months of 2017, settlement funds were directed to the
long-standing school bus clean-up and diesel training
SEPs.

During this period, we also conducted outreach
and evaluated newly submitted SEPs. We began directing
funds to new SEPs in the third quarter of 2017. And by
the end of the year, we committed about $2.5 million to
SEPs proposed by and/or benefiting disadvantaged
communities.

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AIR RESOURCES ENGINEER CONNORS: In 2017, we
directed over $3.6 million to SEPs. Over $1.7 million
were used to fund projects that install high efficiency particle air filtration systems in schools. Schools located near railyards and in disadvantaged communities impacted by mobile or stationary sources are being selected. Another $500,000 in penalties were directed to the BreathMobile project, a mobile asthma clinic which provides services to children in the East Bay area. Other projects focused on education, community monitoring, environmental restoration, and direct emissions or exposure reduction. We are currently tracking the implementation of these projects.

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AIR RESOURCES ENGINEER CONNORS: We participate with CalEPA and sister agencies in enforcement initiatives each year in several disadvantaged communities. It is our goal to remain engaged with the communities we develop relationships with in the initiatives, and continue to work collaboratively to understand and resolve air-related complaints.

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AIR RESOURCES ENGINEER CONNORS: The team tours each community and consults with community members to identify enforcement concerns. Staff then develops and implements enforcement plans, and reports the results back to the community.
In 2017, we conducted more than 400 inspections on sources ranging from consumer products to trucks, issued 76 citations, and opened several cases that are currently being investigated. Most of our inspections focused on diesel vehicles, and equipment at roadside, freight facilities, and ports. But we also inspected consumer products offered for sale, and refrigerant management systems in the community.

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AIR RESOURCES ENGINEER CONNORS: When an issue is identified by a community, we commit to work to make sure their issues are addressed. The odor investigation in East Oakland is one such example. During the initiative in Oakland, CARB enforcement staff experienced a strong and persistent odor near a school. The odor was consistent with community complaints and observed with community members during the tour.

To investigate, CARB, Bay Area Air Quality Management, and UC Davis conducted monitoring for metals, organic compounds, and particulate.

Data analysis is ongoing and we have not yet identified the source. We understand odor issues have a significant impact on local communities, but that they are often very difficult to identify and mitigate. Our
investigation is continuing.

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AIR RESOURCES ENGINEER CONNORS: We conduct truck and diesel equipment inspections across California every day. Our goal is to conduct 50 percent of these inspections in disadvantaged communities. In 2017, as in past years, we achieved this goal, conducting around 17,000 inspections and writing around 4,000 citations, with about half in disadvantaged communities.

In 2017, we closed 1,400 citations and collected $1.1 million in penalties.

AIR RESOURCES ENGINEER CONNORS: Our enforcement at freight facilities is another part of our effort to achieve environmental justice. In 2017, we closed five cargo handling equipment cases, assessing more than $3 million in penalties. Moving forward, we are looking deeper into cargo handling equipment compliance by reviewing opacity requirements of the 2011 amendments.

In 2017, we brought BNSF and UP railyards across the state into compliance with the drayage regulation reporting requirements and assessed more than 1.2 million in penalties. As part of the settlement, BNSF -- with BNSF $625,000 of its penalty went to fund school filtration projects to mitigate increased air pollution at schools around these railyards.
AIR RESOURCES ENGINEER CONNORS: Now, let's discuss several areas where we are improving our enforcement programs.

AIR RESOURCES ENGINEER CONNORS: The at-berth regulation requires and ocean-going vessel to plug into shore power or use an equivalent emissions control device while at port. Between 2014 and 2016, fleets were required to reduce their auxiliary engine use, measured in megawatt hours by 50 percent while at berth. This requirement increased to 70 percent in 2017.

As the rule has been implemented, staff issued several advisories to address circumstances beyond the ship operator's control that limit the ability for ships to meet regulatory requirements.

These advisories became necessary when the regulation does not provide the legal tools to hold parties, other than the fleets, accountable for their role in compliance. Program staff is working to address these issues through regulatory amendments.

Over the past year, we have implemented an audit program with the goal of identifying noncompliance to prioritize enforcement efforts, developing metrics to gauge the success of the regulations so far, and using
lessons learned from the audits to inform the regulatory amendment process.

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AIR RESOURCES ENGINEER CONNORS: As part of regulatory requirements, fleet provide compliance reporting data. We have audited every visit for every regulated vessel type in every regulated port for years 2014, 2015, and 2016. This audit covers more than 40 fleets and about 4,000 ship visits per year.

If a fleet is found to be non-compliant, a notice of violation is issued and the case is processed in accordance with our Enforcement Policy.

We are currently auditing compliance reporting information for 2017, which became available earlier this year.

Now I will discuss the results of the audits.

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AIR RESOURCES ENGINEER CONNORS: The regulation was intended to achieve a 50 percent reduction in emissions from auxiliary engines in 2015 and 2016. Overall, when measured on a statewide basis, the regulation is achieving this goal with 51 percent reduction in 2015 and a 63 percent reduction in 2016. This is resulting in real-world emissions benefits near ports. In 2016, fleets reduced 4.3 tons per
day of NO\textsubscript{x}, and 0.066 tons per day of diesel particulate emissions through this regulation. This is important, but not the whole story. The results vary by port, and some regions are experiencing more benefits than expected, and some are experiencing less.

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AIR RESOURCES ENGINEER CONNORS: This figure shows our audit results. The number of fleets by compliance status, port, and calendar year for 2015 and 2016. The audit identified one fleet in Los Angeles/Long Beach, three fleets at Oakland, and one fleet at other ports not shown here that are not compliant with this regulation.

These are shaded in red in the table, and we are in discussion with each of these fleets to bring them into compliance.

Many fleets do not meet regulatory requirements, but are compliant when the advisories are considered. This is shown in yellow. These fleets reported issues beyond their control, including berthing position, port congestion, and availability of shore power at berth, which impacted their compliance status.

For example, the advisory allows credit for fleets which successfully plugged in, but did not meet the three-hour limit in the regulation.
The number of fleets that need the advisories is decreasing, which indicates many fleets are learning and addressing their compliance challenges. At the same time, the number of compliant fleets is increasing. These fleets are overcomplying relative to requirements, which explains why overall the regulation is meeting its goals even though not all fleets are meeting the 50 percent requirement.

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AIR RESOURCES ENGINEER CONNORS: This project identifies how we think enforcement should work. We evaluated the effectiveness of the regulation. And in 2015 and 2016, the regulation overall met its goals. We used the auditing process to identify noncompliance, and we are currently working to bring these fleets into compliance.

We are expanding our audits to 2017 compliance reporting, which is important, because the requirements increased in stringency in 2017. We have shared our audit results with program staff, and are working together on regulatory requirements that will help ensure the program is effective, and achieves the emissions benefits envisioned at each port when the rule was originally adopted.

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AIR RESOURCES ENGINEER CONNORS: We are continuing to update our compliance estimates each year.

Now, let's talk about the Truck and Bus Rule. Over the past five years, we have implemented an extensive enforcement program. From 2013 to 2017, we settled 473 cases, issued 7,741 citations, and collected more than $15 million in penalties.

Starting in 2020, all vehicles subject to the rule must demonstrate compliance before being allowed to register with the Department of Motor Vehicles. Staff across the agency is preparing for implementation.

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AIR RESOURCES ENGINEER CONNORS: We are continuing to update our compliance estimates every year. This chart shows the number of non-compliant trucks by fleet size and registration type, and the associated compliance rate for heavy and light vehicles covered by the rule.

This year is the first we are able to report compliance rates for light trucks. The results show the overall compliance rate for heavy trucks is 74 percent, a little better than last year.

The corresponding compliance rate for light trucks is higher at 88 percent. For both heavy and light trucks, compliance rates are lowest for small fleets, and
tend to increase with fleet size. Overall, there are more than 57,000 registered trucks in California that are not currently compliant with the regulation. We want to address these vehicles now to reduce the impact of vehicles being unable to register in 2020 and beyond.

There are almost 260,000 trucks in fleets registered in other states that report mileage in California and appear to be non-compliant. This equates to an apparent compliance rate of 73 percent. However, we do not have sufficient information about which trucks in these fleets actually operates in California.

Our inspections at weigh stations near the southern border average a compliance rate of 71 percent, while the northern border shows an average compliance of 85 percent. This indicates that we need to increase our efforts at border crossings in Southern California to maintain a level playing field.

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AIR RESOURCES ENGINEER CONNORS: Initially, investigations relied primarily on identifying suspected noncompliance through referrals, complaints, and field observations.

The resulting investigation could take several years to complete. In 2015, we developed the SMART audit process, where staff analyzes data from vehicle
registration, compliance reporting, and inspection databases to identify and prioritize potentially non-compliant fleets.

This process overall increased the number of investigations, but did not dramatically reduce time spent closing each case. Earlier this year, we implemented the new streamlined truck enforcement process which builds on the SMART audit approach, and incorporates more efficient case processing that we hope can better address noncompliance.

Moreover, this process reduces the need to conduct inspections on California registered trucks, since we have the information we need to judge compliance. This allows us to focus our field enforcement resources at border crossings and at warehouses and distribution centers in disadvantaged communities where noncompliant trucks operate.

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AIR RESOURCES ENGINEER CONNORS: In this approach, noncompliant trucks are sent a letter alleging noncompliance, which requires proof of compliance within 30 days. If the company cannot prove compliance or fails to respond, a notice of violation is issued, and a registration hold is placed on the vehicle.

The notice of violation is intended to serve as a
legal citation and complaint. The violator has the option to negotiate with staff to come into compliance and settle the case, or to request a hearing with an administrative law judge. The notice of violation will become a final order if the violator fails to respond.

If this happens, the notice of violation may be filed with Sacramento Superior Court as a judgment. The registration hold will remain until the violator achieves compliance and penalties are paid. Penalties are initially assessed at 3,000 per truck, considering factors common in most cases.

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AIR RESOURCES ENGINEER CONNORS: Now, let's talk about our stationary source programs, which are evolving with new regulations that have been adopted over the past several years.

CARB and air districts enforce greenhouse gas regulations focused on sulfur hexafluoride in gas-insulated switchgear, landfill methane, refrigerants, and other sources.

In 2017, we initiated enforcement of the Refrigerant Management Program, contacting 214 facilities, conducting 64 inspections, and closing 108 investigations. The Refrigerant Management Program represented the first full implementation of the minor violations framework in
the new enforcement policy. Accordingly, 38 cases involving small refrigeration system owners who failed to register with CARB were resolved without penalty.

In contrast, D&T Foods was a significant case, because it represented our first use of the administrative hearing procedures, which were adopted in 2002.

The judgment resulted in compliance and a $100,000 penalty in substantially less time and less cost than would have been seen in a traditional lawsuit.

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AIR RESOURCES ENGINEER CONNORS: Now, let's discuss highlights of specific enforcement efforts in 2017.

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AIR RESOURCES ENGINEER CONNORS: Many parts of the world have established emission control areas to require low sulfur fuel in ocean-going vessels. California has been a pioneer in this effort, and today compliance rates exceed 97 percent. To verify compliance, we inspect vessels working closely with U.S. EPA and Coast Guard. If noncompliance is identified, we quickly resolve the case.

CARB staff are internationally recognized for enforcement in this area. And last year, we traveled to China and Mexico to train enforcement staff there.
AIR RESOURCES ENGINEER CONNORS: Compliance in our Reformulated Fuels Program exceeds 98 percent based on the inspections we conduct.

We enforce regulatory requirements for gasoline and diesel fuel, and equipment requirements in cargo tanks.

AIR RESOURCES ENGINEER CONNORS: In 2017, we resolved a long-standing case with British Petroleum. For many years, CARB has actively enforced clean fuel requirements through mutual settlement. However, in 2009, CARB inspected -- inspections identified that British Petroleum supplied approximately 64 million gallons of fuel that exceeded specification in several areas.

Unable to reach a settlement, CARB litigated the case. The court's judgment issued in late 2017 found BP negligent in its actions, and assessed a $2.5 million penalty for violations including retail violations that had never before been assessed.

The BP case demonstrates the strength of our Reformulated Fuels Program and provides legitimacy to our enforcement efforts. The BP case is the largest penalty in the history of the Fuels Enforcement Program.
AIR RESOURCES ENGINEER CONNORS: In 2017, we also expanded our enforcement of the Low Carbon Fuel Standard. The Low Carbon Fuel Standard is a lifecycle evaluation of the carbon intensity of a fuel. Companies are audited for compliance with a fuel's approved carbon intensity and pathway requirements, and volumes reported to CARB.

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AIR RESOURCES ENGINEER CONNORS: In 2017, we completed five on-site inspections, three audits, and resolved two cases shown here.

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AIR RESOURCES ENGINEER CONNORS: Certification is the bedrock of our Motor Vehicle Emission Control Program. Manufacturers must obtain CARB approval called an executive order to sell a vehicle engine or part in California. Manufacturers may sell aftermarket parts for racing purposes only. But once installed on a vehicle, that vehicle cannot be registered or operated on State highways.

Vehicles and engines operated on the road are being tampered. We estimate that one half to one percent of all on-road cars and light trucks, and up to 30 percent of on-road motorcycles have been tampered with in some way.

This tampering has a significant emissions
impact, because tampering may result in malfunction or
loss of emissions control, especially if emissions
controls are defeated or removed.

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AIR RESOURCES ENGINEER CONNORS: CARB's
enforcement in this area is extensive and ongoing.
Following the Volkswagen scandal, staff is continuing
investigations into other vehicle makes and models, and
conducting emissions testing and verification to ensure
Volkswagen continues to comply with the terms of its
consent decree.

In addition to emissions testing, CARB, in
conjunction with the U.S. EPA, has reviewed and approved
most of the proposed emissions modifications, allowing
vehicle owners an option to have their vehicle repaired.

Our Aftermarket Parts Enforcement Program is also
extensive. In 2017, the JEGS settlement represented our
largest aftermarket parts case in volume and penalty. We
also actively pursue violations in vehicle certification.
Bombardier, for example, failed to disclose an auxiliary
map that allowed ATV owners access a high performance
racing program by cutting a pink wire.

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AIR RESOURCES ENGINEER CONNORS: Going forward,
we want all manufacturers, wholesalers, distributors,
retailers, and end-users to understand and comply with anti-tampering regulations. Simply labeling and aftermarket part for racing use only does not limit liability, especially when those representations do not match the product application intent or advertising.

In 2017, we initiated a public process designed to clarify regulatory requirements expand education and outreach to manufacturers, distributors, retailers, and vehicle owners, and enhance our enforcement efforts. These efforts are currently underway.

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AIR RESOURCES ENGINEER CONNORS: Finally, I'll discuss a little bit about our focus for 2018.

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AIR RESOURCES ENGINEER CONNORS: Right now, we are focused in several areas. We are working to implement the truck and bus enforcement process, and grow our aftermarket parts enforcement. We are continuing our support of the Cal/EPA Environmental Justice task force, and building on that work for the Community Air Protection Program.

We are continuing our diesel investigations and are reviewing several programs to identify efficiencies in our field citations process, and our district support and stationary source enforcement and training programs.
Finally, we are continuing to work with program divisions to remove regulatory -- improve regulatory design for effective implementation and enforcement.

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AIR RESOURCES ENGINEER CONNORS: This concludes our presentation. Our 2017 annual enforcement report is provided here today and is posted online. It provides additional detail about the topics we discussed today, as well as information on other 2017 enforcement efforts.

We appreciate the opportunity to present to you today, and will answer any questions you may have.

Thank you.

CHAIR NICHOLS: Thank you. This is obviously a compendium of a lot of information. And I found in the past sometimes, I needed just to refer to it to answer questions that came up. It's not exactly something you just pick up and read for fun, but it does give -- it does give a valuable overview. We have one person who signed up to testify on this one, so why don't we hear from her and then we can have any additional discussion.

So Lisa McGhee, are you here?

You are it for public commenters on this one.

MS. McGHEE: Hi. Fifty years ago, CARB's jurisdiction was formed and began to control air pollution. And programs have been implemented to reduce
emissions and achieve air quality standards. The largest sector that impacts our air quality is mobile sources, and our mobile sources include ZEVs. And there are many programs to assist in accelerating the adoption of ZEVs.

Then Enforcement Program ensures the regulatory process supports achieving the climate goals, and identified violators that will be held responsible. However, the ZEV technology has no tailpipe, and there are no admissions. Therefore, CARB has no enforcement on the failure of ZEVs. The heavy-duty ZEV technology has no standards and is 100 percent proprietary equipment.

The HVIP program has existed since 2009. Yet, we have no standards or regulation to keep these heavy-duty ZEV vehicles on the road when they fail.

Heavy-duty gas and diesel vehicles have a regulatory program due to their emissions. Fleets that choose to be an earlier adopter of a ZEV deserve the consistent and fair treatment the same as the gaseous fuel technologies. Malfunctions of a ZEV will create emissions when the vehicle is out of service. A program should exist to provide fleets that drive a ZEV the same level of assurances in order to instill more confidence. ZEVs should be subject to enforcement in order to maximize the success of the ZEV technology for early adopters, as the heavy-duty choice today is all risk.
Early ZEV adopters are complying with choice -- choosing to drive zero-emission vehicles. Therefore, CARB needs a regulation and enforcement policy to meet the regulatory requirement to adopt ZEVs and reduce emissions. In 2017, the Enforcement Division went through a public process to update the policies, as the last time this was done was 2011. Without a regulation for zero-emission technology in the health codes, the accountability and the ability to access and penalize this technology is not the same standards. This is impacting and influencing to early adopt a ZEV or to stay with a diesel technology.

And then I wanted to add a comment as it related to La Ronda's small business. I want to share a business update -- a small business update that ties to the Truck and Bus Regulation, and compliance rate of table 5.

This depicts the majority of fleets are small businesses. Connecting with small business. How many of you have experienced a day in the life of a fleet operator, experienced their customer demands, their routes, their dwell time, their auxiliary uses, and their daily vehicle miles traveled?

I invite you to educate yourself and experience the life of a fleet operator on the very busiest day which would be Thanksgiving.

Just a few more seconds. Okay.
Fleets are evolving with technology, and their expertise is necessary to bridge this gap and reduce the barriers to assist an accelerating ZEV adoption. The fact is HVIP program has been around since 2009. We have a total of 550 ZEV sales, 365 are extinct today. This determines under 200 medium-duty heavy-duty vehicles are on the road today. And we need more support. And I think La Ronda's point in her presentation is small businesses need more support.

Thank you.

CHAIR NICHOLS: Thank you. Okay.

Any additional comments or questions on this one?

Oh, sorry. Dean, hi.

BOARD MEMBER FLOREZ: Thank you. Hi. Sorry about that.

I just have a couple of questions regarding -- I'm not sure whether -- how to back into this, but Assemblyman Garcia had a minimum of 50 percent of the SEPs that are allowable under a fine. So as I understand it, you get fined. You have an opportunity to pick a program that would also benefit environmental justice projects.

And I'm just wondering how did that go given the amount of fines that you've given us? What percentage has actually gone to environmental justice projects? Just big picture. And I want to then narrow this down just a
little bit more. If you say fifty percent, that's the right answer.

ENFORCEMENT DIVISION CHIEF SAX: Yeah. Well, so the --

(Laughter.)

ENFORCEMENT DIVISION CHIEF SAX: Thank you. Well, then I don't have to answer the question.

(Laughter.)

ENFORCEMENT DIVISION CHIEF SAX: No. The AB 1071 allows up to 50 percent of a penalty to be diverted to a SEP. And I believe we said we did about three and a half million dollars in SEPs last year in total on $17 million in penalties. So that gives you an overall idea of the percentage. So not every violator chooses to do a SEP. It is the violator's choice to -- whether or not to partake of the SEP program.

BOARD MEMBER FLOREZ: And how do we allow violators the ability to know that that choice is available? I mean, what's the process? So if I get a -- you know, if I get a fine, and you're telling me I can have a list of projects of which half those fine dollars go to enhance an environmental justice project, how do I know that? What's the process?

ENFORCEMENT DIVISION CHIEF SAX: Yeah, during the settlement process, we actually provide a list of eligible
SEPs to the violator, and they can choose any of the SEPs on the list that they would like, or they can choose not to participate. They can also choose, if they would like, to develop their own supplemental environmental project. All of those options are spelled out in the policy we presented to you all in 2016.

BOARD MEMBER FLOREZ: And I guess the other question would be how do we get the violators to look more favorably on environmental justice projects?

ENFORCEMENT DIVISION CHIEF SAX: Well, we actually work pretty hard with them to sell the projects, because we want the program to be successful. And so when we're talking to the violators, we sometimes try to identify a couple that we think would be particularly valuable to that particular violator, and hope that they choose it.

BOARD MEMBER FLOREZ: Okay. So would there be a policy, at some point, that would say to me that if I could give to an environmental justice community that had a 10 percent discount if I gave it to the environmental justice project, would I pick that? So in other words my fine would be reduced 10 percent if I took half of those dollars and put it to an environmental justice project?

ENFORCEMENT DIVISION CHIEF SAX: No, we don't do that.
BOARD MEMBER FLOREZ: Could you do that?

ENFORCEMENT DIVISION CHIEF SAX: I would recommend against it for this reason.

BOARD MEMBER FLOREZ: Okay.

ENFORCEMENT DIVISION CHIEF SAX: When we assess penalties for a violation, we're trying to identify what the appropriate penalty is for the violation. And then, at that point, as a separate discussion, the violator has an opportunity to enter into a SEP. But the penalty needs to fit the violation. And I think providing too much of a relationship between the SEP and the violation like that is potentially a concern. But obviously, the Board provides direction. If you all feel otherwise, we're --

BOARD MEMBER FLOREZ: Right. I would like -- I would like to have staff and Mr. Corey maybe look into what that kind of sliding scale might look like. And the reason I say that is if I just didn't move in that direction, then the next question would be, what are we doing with our dollars specifically that are going directly to fines? We have legacy programs, correct? So we have School Bus Program, we have CCDET, we have other legacy projects that we ourselves then utilize those dollars for. And how are those programs going?

ENFORCEMENT DIVISION CHIEF SAX: So the School Bus SEP is in the process of spending all its money now.
The CCDET SEP, those monies are being spent, and we're actually conducting an audit of all of these legacy SEPs that should be completed later this year.

And I just wanted to add with regards to the -- to the supplemental environmental projects, there is potentially a tax benefit for violators for engaging in a SEP. It shows up in the settlement agreement as well.

BOARD MEMBER FLOREZ: Okay. So we do have some precedent then for giving some sort of benefit to someone that picks a environmental justice project. I guess I would just maybe ask what a -- an additional incentive would be for projects that could be funded?

So you mentioned the audit being completed in a year. What is the audit, what was the purpose, and what are we expecting to get out of the audit?

ENFORCEMENT DIVISION CHIEF SAX: The purpose of the audit is to make sure that the monies that were diverted to those projects were spent effectively and in accordance with those agreements. And any findings that we get from that audit would be used to strengthen our program to ensure that we're tracking things appropriately with state accounting standards.

BOARD MEMBER FLOREZ: Okay. Great. And I assume you will present the findings of the audit to the Board?

ENFORCEMENT DIVISION CHIEF SAX: That would be
something I would discuss with my Executive Officer.

(Laughter.)

EXECUTIVE OFFICER COREY: That's an interesting sound of silence.

BOARD MEMBER FLOREZ: Long silence.

(Laughter.)

CHIEF COUNSEL PETER: Can I jump in here?

EXECUTIVE OFFICER COREY: Since counsel is asking to jump in, I'm not going to resist.

(Laughter.)

EXECUTIVE OFFICER COREY: Go ahead, Ellen.

CHIEF COUNSEL PETER: So I think the thing to do is if you are interested in getting a briefing on that, we would definitely brief you. Presenting certain things to the entire Board, that's kind of, in a public setting, is a little bit different. But we're happy to talk with any Board members at any time about any of the -- any audits, or any of the resolved cases and so forth.

So since I supervise the Enforcement Division, I'm jumping in here as the deputy in the middle and saying that whenever we get that back, which I think is going to be later this, and it's got -- it's -- as Todd had suggested, it's got a couple of different programs it's looking at. And I think it's good to look back at time, so I'd be happy to do it.
BOARD MEMBER FLOREZ: Okay. I'm going to end my comments with -- just be saying, yes, I would like to take advantage of that particular opportunity, only for the following reasons:

And that is, one, we either have an SEP program that allows for dollars to go up to 50 percent of EJ community projects. So, yes, I'd like to -- and I get the metrics for that.

On the other flip side is that we have dollars that we invest, and we look at our legacy programs as being effective or not. So dollars going to one pot or the other. So I would kind of like to know after the audit, whether or not those particular projects that are currently in our legacy program are the most effective projects as compared to maybe another sliding scale for environmental justice projects. So that would be the rationale.

Thank you.

CHAIR NICHOLS: Okay. I -- I have to admit that I'm blanking here a minute. But in addition to SEPs, which are subject to a policy of their own, isn't there also some other provision where we allow or use enforcement money -- penalty money for certain specific causes. It's budgeted. I mean, we can't just like spend it for whatever we want, but there's --
ENFORCEMENT DIVISION CHIEF SAX: Yeah. Well, when --

CHAIR NICHOLS: Although that might be nice, but there was -- but that's not the way it works.

ENFORCEMENT DIVISION CHIEF SAX: Well, so penalty monies are deposited into the Air Pollution Control Fund.

CHAIR NICHOLS: Right.

ENFORCEMENT DIVISION CHIEF SAX: And once they're there, they can be allocated in accordance with the will of the legislature.

CHAIR NICHOLS: Um-hmm, right, and they do that, so

ENFORCEMENT DIVISION CHIEF SAX: Yes, absolutely.

CHAIR NICHOLS: Just to be clear, that's not a SEP. That's just a usage of the penalty money. That's what I was trying to get at.

Okay. Any other -- yes.

VICE CHAIR BERG: I think I will jump in here just to reiterate how important enforcement is. When you think about from even a company perspective, which is one of the hats that I wear, enforcement is the key to a level playing field. It assures that the people that are playing by the rules, that there is oversight to make sure we're all playing by the rules, and I can tell you as a regulated company, and are many, many of these rules,
including fleet rules.

And so I'm very aware, after having 17 fleets --
trucks in my fleet what that is like, that it's very
disheartening when you lose opportunities for business
against competitors that are not playing by the rules.

And I'll tell you from dealing with customers,
who also are selling and playing by the rules, they get
very disheartened. So enforcement is critical. It's a
critical leg to make sure that good policy -- combined
with good policy that this all works. And so I want to
thank enforcement. It is often like any other department
that is responsible for being the police of any program,
often thankless.

I have been on both sides of the table, both
sitting from someone that had a enforcement action, as
well have been on the other side of much appreciation that
you are out there making sure that we have a level playing
field.

I also would just like to thank Todd Sax and his
group for thinking outside the box, for looking at how
should enforcement evolve from a -- only a policing agency
to really interacting with the regulated community.

And I understand that first and foremost just by
the nature of the name, it will be very difficult to move
away from that policing aspect. But the fact that the
interacting with the regulated community, trying to understand, most people truly do want to comply. And it really is an aspect of helping people understand and getting them into compliance.

Then we have to have the tough cop, because we do have companies that unfortunately feel that they are above and don't have to comply. And so having that balance, and -- not only hammers in the toolbox, that always looks for nails, and is really critically like important, because I think that's where the balance is. And I really feel that our Enforcement Division is the working very, very hard to create that distinction and to work with the various departments within ARB to make this much more effective. And I just want to acknowledge that, and say thank you for that.

CHAIR NICHOLS: Great. I'll just add to that. I completely agree with what you just said about the enforcement of the rule of enforcement. The only other thing I would add is that there are people always, particularly those who are subjected to enforcement, who, in general, don't, at least initially, feel happy about that situation. And those who watch enforcement that there's always a concern about fairness, and whether we're treating everybody in an absolutely rigorously fair way.

And creativity sometimes can create the
appearance of doing special things for people, because of who they are, or what they are in the community. And so I think it's been -- I have no suggestion that that has been an issue with this program, but I have seen other agencies and other enforcement programs where that becomes an issue. So it's just -- I think it is an important consideration.

VICE CHAIR BERG: Well, and I'm glad you brought that distinction up, because I certainly wouldn't want anybody to leave with the impression from my comments that our enforcement department has gotten creative to --

(Laughter.)

VICE CHAIR BERG: -- resolve problems -- issues like that.

But one of the things, so since you brought that up, often what we find is that people aren't aware that, for example, when you're a first-time violator, and there is a minor violation, that there is an ability to get a discount.

CHAIR NICHOLS: Um-hmm.

VICE CHAIR BERG: And so if you're quiet and just don't know quiet what to do --

CHAIR NICHOLS: Right.

VICE CHAIR BERG: -- then you tend to pay full price. But if you get somebody in there that's pounding
on the desk, and quite frankly, being a little bit more robust in their discussion --

(Laughter.)

VICE CHAIR BERG: I'm trying to think of a nice word.

(Laughter.)

VICE CHAIR BERG: -- then those guys always get the discount. And I'm thinking, wait, what about the nice people.

(Laughter.)

VICE CHAIR BERG: So the things that I've talked to Todd Sax about is how do we approach this so it is more fair, that we have what we have available, that we're able to discuss that openly, so everybody can take advantage of it.

So when I talk about being creative, it is having more than the hammer in the toolbox, because truly everything isn't a nail. Even in enforcement, we need to have those big hammers for the VW's, as we saw today, on some of those larger fines. We've got to send out the real tough dogs for that. No question about it.

CHAIR NICHOLS: Right.

VICE CHAIR BERG: But there is a sense of the other percentage that just needs, as you say, be treated fairly, and I think equitably.
CHAIR NICHOLS: Um-hmm.

VICE CHAIR BERG: And I would fully agree to that. And that's where I see a change in the thinking for our enforcement, and I'm excited about that.

CHAIR NICHOLS: That's a -- thanks. That's a -- that is a good distinction to make. Unfortunately, this entire conversation is giving me flashbacks and horrible memories about an episode that I had with the Internal Revenue Service, so let's --

(Laughter.)

CHAIR NICHOLS: -- let's move right along here.

(Laughter.)

CHAIR NICHOLS: John -- John Eisenhut.

BOARD MEMBER EISENHUT: Yeah, we may -- we may be stalled here. But if I remember your statistics, more than a quarter of the inspections -- vehicle in -- heavy-duty vehicle inspections resulted in vio -- in findings of violation. That's kind of a disturbingly high number. Are those random inspections or were they triggered by some observation or report.

ENFORCEMENT DIVISION CHIEF SAX: It depends on the program. But when we're out in the field, for example, looking for noncompliant trucks, we are looking for noncompliant trucks. So it's not a random sample.

BOARD MEMBER EISENHUT: Okay. Thank you.
CHAIR NICHOLS: Great. Any additional -- yes, Judy.

BOARD MEMBER MITCHELL: Thank you. Thank you, Madam Chair.

I have a question that's kind of general, but under the Truck and Bus Rule, as we approach 2023, we're going to be maybe faced with a lot of enforcement activity. Do we have an idea of how many California registered trucks are older than 2010 now? Do we know what we're going to be dealing with in the next few years?

ENFORCEMENT DIVISION CHIEF SAX: Yeah, give me a second to find it. Let's see. So, for example, in -- gosh, I'm going to need a calculator for this. Oh, no, here it is. In California, registered heavy-duty diesel trucks, those exceeding 26,000 pounds gross vehicle weight -- rated weight, right now there are 173,124 of those that we count in the DMV registration database. There are 79,309 that are pre-2008, and another 34,256 that are 2008 to 2010, and then 59,000 that are 2011 and newer, and that's in the California registered heavy trucks.

BOARD MEMBER MITCHELL: So I guess the next question is are you ready for this?

ENFORCEMENT DIVISION CHIEF SAX: Well, I don't want to overstate our capabilities, but we did talk about
in the presentation a process that we're putting in place that we hope is going to be a lot more effective. So what we're doing is, the first step in that process we've reported to you over the past couple of years, which was combining all of the vehicle registration, and inspection, and compliance databases to be able to develop a compliance history of the vehicle so that we have a pretty good idea -- not a perfect idea, but a pretty good idea of what the compliance status of each truck was.

And then the second stage in that process is really streamlining the investigation process from something that was more a fleet specific discussion to something that is very time oriented. So 30 days from a notice of noncompliance letter, to a notice of violation, offering due process, and getting through the case as quickly as possible.

We initiated that process earlier this year, but we've had some fits and starts with it, so it's not like we've been working on this for all six months. But so far, we've issued noncompliance letters to 10,000 trucks and NV letters and registration holds on about 4,000 trucks. And the process is really just now getting started.

So that gives you an idea of the magnitude of where we're moving. And my hope is that we're going to be
able to do a lot more over the next 18 months. Like I said, I don't want to overstate it, because things can always go sideways, but I hope to be able to come back to you next year with a much better story.

BOARD MEMBER MITCHELL: And I think it would be really important to give advanced notice, to the extent we can. You said 30 days, but I don't know whether you try to give more advanced notice than that to trucks that are going to be noncompliant, but it might be a good idea.

ENFORCEMENT DIVISION CHIEF SAX: So the agency as a whole has had an active outreach program for years. And there have been many mailers that have been sent to every registered truck in California over many years with different messages, but all essentially say time to comply.

If -- there are truckers out there that claim to not understand what the requirements are, but it's not for eff -- it's not for a lack of effort on our part. And they've definitely all received notices from us. So, you know, at this point, people should understand.

And at some point, you know, we've heard a lot from fleets that have to compete against these noncompliant trucks. And at some point, enough is enough.

BOARD MEMBER MITCHELL: And then do you think you have sufficient staff for this? I mean, I think we always
think we don't have enough staff, but that might be an important issue to be thinking about now.

ENFORCEMENT DIVISION CHIEF SAX: It is an issue to think about. It's one we're continuing to address. We've built the program to be scalable and we're going to be monitoring that over time.

BOARD MEMBER MITCHELL: Thank you.

CHAIR NICHOLS: Yes. Dr. Sherriffs.

BOARD MEMBER SHERRIFFS: Yeah, question. Boy, a high success rate, really it sounds like with rails and with ports. And those are obviously very different animals. But any lessons there to help them improve compliance rates in truck and bus, for example?

ENFORCEMENT DIVISION CHIEF SAX: Well, we have sort of two broadly -- I kind of think of our programs as there's 2 different types. There's in-use rules that affect end-users, and there's requirements that affect really big companies like manufacturers or port -- you know, different entities at ports, or the rail companies, for example.

When you have a limited number of regulated entities operating in set locations, it's pretty easy to conduct inspections. And we're very good at doing that kind of work. The in-use rules that have been put in place on trucks and off-road equipment, and transportation
refrigeration units involve hundreds of thousands of regulated entities, and it's just a different beast.

And so what we've been spending a lot of time on is trying to redesign our enforcement efforts for those types of programs. And so that's why you hear in our presentation the talk about the use of administrative procedures, and those types of things, which we haven't typically done in the past, but we also haven't had to, because we haven't been faced with just the sheer magnitude of regulated entities. So I think we're getting better, but they're two very different programs, and so they don't necessarily translate very well.

CHAIR NICHOLS: Okay. Okay. I think you have come to end. Thank you very much. Appreciate it.

We have one more item today. It's a very diverse set of issues on our agenda.

But this is one that is I think a real interest and one that we don't hear very much about. And that has to do with air filtration. Increasingly, we see in cases where we've got buildings that may be located in areas where the air quality is not as good as it should be, or where there's concerns about retrofitting buildings, where there was a land-use issue, such as the ones we were talking about earlier today with our 617 Advisory Groups, that sometimes the answer is to protect that people. And
that means to do something within the building. And there's a lot of technology out there, and a lot of interest in this issue of air filtration.

So we have an opportunity here to hear an update on some research that we've been doing. And what we've been doing with the results of that research. So I think we've got our research and indoor air team here.

Mr. Corey, did you want to introduce this item?

EXECUTIVE OFFICER COREY: Sure, very briefly. So today as you just indicated, the Board will hear about CARB-funded research that provided information on some of the key factors that can improve indoor air quality and how the information from those studies is being used to take actions to reduce California's exposure to indoor air pollution. I'll ask Jeff Williams of the Research Division to give the staff presentation.

Jeff.

(Thereupon an overhead presentation was presented as follows.)

AIR POLLUTION SPECIALIST WILLIAMS: There we go. Thank you, Mr. Corey. Good afternoon, Chair Nichols, and members of the Board.

Today, I'm going to tell you about two CARB funded extramural research contracts that have contributed to significant improvements in our building codes and
siting policies to protect public health. Most recently, our research based recommendations to the California Energy Commission for the Title 24 building standards resulted in changes that now require high efficiency filters that will remove more particles and smaller particles from indoor air.

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AIR POLLUTION SPECIALIST WILLIAMS: ARB has made important progress in reducing sources of outdoor air pollution in California. However, the indoor environment where people spend nearly 90 percent of their time also contains air pollutants, such as PM2.5 and formaldehyde. Because these pollutants are often partially trapped in a confined space, some of our highest pollutant exposures occur while indoors. Reducing indoor particulate matter levels is particularly important for protecting the health of vulnerable groups, such as children, the elderly, and those with preexisting respiratory or cardiovascular disease.

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AIR POLLUTION SPECIALIST WILLIAMS: So first, I'd like to introduce some of the key factors that affect indoor air quality. Modern building materials and construction methods have greatly improved the energy efficiency of our residences and workplaces. However,
increased building air tightness and energy efficiency reduces indoor/outdoor air exchange that can impact indoor air quality.

Pollutant emitted by indoor sources account for a significant portion of our total pollutant exposure. Outdoor sources also effect indoor air quality. Therefore, good indoor air quality depends not only on reducing indoor pollutants through source control, ventilation, and the use of high-efficiency filtration, but also minimizing the infiltration of outdoor pollutants into the home.

In 2008, California's Title 24 residential building standards included requirements for mechanical ventilation as a means of protecting occupants from indoor pollutants and assuring sufficient outdoor air exchange with some energy cost.

However, until recently the energy code required only low efficiency filtration of the indoor air. During the most recent revision of the code, indoor program staff worked closely with the California Energy Commission staff and recommended that the standard be updated to require high-efficiency filtration.

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AIR POLLUTION SPECIALIST WILLIAMS: Because today's presentation is focused on the benefits of high
efficiency air filtration, I'd like to briefly introduce the topic of filter performance before discussing our studies. The performance of an air filter is described by its MERV rating. MERV stands for Minimum Efficiency Reporting Value, and is a measure designed by the American Society of Heating, Refrigerating, and Air-Conditioning Engineers, known as ASHRAE, to rate the effectiveness of air filters for removing particles of different sizes from the airstream passing through the filter. This scale ranges from 1 to 20.

Now, most of us are familiar with low-efficiency fiberglass filters that are commonly used in our home central air systems. And actually I brought some props today.

So this is an example of a low MERV filter that you probably commonly see in your home.

Now, modern pleated filters -- and here's an example of a high MERV filter. You can see there's quite a difference in the construction. These are constructed of folded sheets of material, such as paper or polyester, and are much more efficient at removing smaller particles. The pleating increases the effective surface area, which allows for a higher efficiency filter to be use without negatively impacting energy efficiency.

MERV 13 to 16 is typically considered
high-efficiency filtration, and MERV 17 or greater is rated as HEPA, which stands for High Efficiency Particulate Arrestance.

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AIR POLLUTION SPECIALIST WILLIAMS: Now, the first study that I'd like to discuss as completed in 2016 by Dr. Brett Singer from the Lawrence Berkeley National Laboratory. The objective of Dr. Singer's study was to evaluate eight different combinations of mechanical ventilation systems, and air filtration levels to determine their effectiveness in reducing in-home exposures to air pollutants of both outdoor and indoor origin.

The experimental apparatus for air sampling in the test home is shown on the slide. Simultaneous measurements were made for both indoor and outdoor air samples at an unoccupied test house. The primary pollutants investigated were PM2.5, ultrafine particles, and black carbon.

The air handling systems use filters that covered a range of efficiencies from MERV 4 through MERV 16. The study design allowed for controlled measurements to be made in a relatively tight modern home.

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AIR POLLUTION SPECIALIST WILLIAMS: The test home
itself was a detached single-family house located in Sacramento that was built in 2006 with construction features that are typical for California homes of this vintage.

The home was located 800 feet downwind of Interstate 80, which facilitated the measurement of the reduction in incoming outdoor particles.

Excuse me.

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AIR POLLUTION SPECIALIST WILLIAMS: Dr. Singer and his team found that all the systems tested reduced the in-home concentrations of outdoor particles, and several were especially effective at reducing all particle sizes measured. Four of the systems studied reduced indoor levels of outdoor PM by more than 90 percent. And the highest performance was demonstrated by systems that operated continuously or ran at least 20 minutes per hour, and used high efficiency MERV 13 to MERV 16 filters. Increased airflow resistance often cited as a limiting factor for the use of high MERV filters in existing central systems, was not an issue in this study.

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AIR POLLUTION SPECIALIST WILLIAMS: Dr. Debbie Bennett from the University of California at Davis conducted the second study discussed in today's
presentation. In this complex study, she investigated the effectiveness of high-efficiency filtration in reducing indoor pollutant exposures, and impact on asthma symptoms. Only children ages 6 through 12 who had active doctor-diagnosed asthma were admitted to the study. One hundred and seventy homes were initially enrolled. Indoor and outdoor air pollution samples were collected, and asthma symptoms and other health metrics were quantified. All participants received one year with high efficiency filtration, and one year without high efficiency filtration.

The two filtration approaches used are seen in the photos above. Participants receiving either portable air cleaners, which are shown on the left, or upgraded filters for the central heating and cooling systems, and that's on the right, were both MERV 16 equivalent. Participants were recruited from the Fresno and Riverside areas, both of which have a high incidence of asthma and elevated levels of outdoor air pollution.

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AIR POLLUTION SPECIALIST WILLIAMS: Study staff collect one-week integrated air pollution samples at 6-month intervals over the course of the two-year field campaign. Both indoor and outdoor samples were collected at most locations, and were analyze for PM0.2, as
surrogate for ultrafine particles, PM2.5, and PM10.

The photo on the left shows the interior of a sampling -- sampling box. And you can see the pumps and PM samplers there -- and the photo on the right shows a sampling box as it was deployed on the home. And you can see the two air intakes there at the top.

Reflectance measurements were also taken in order to estimate black carbon. And over the course of the two-year field campaign, study staff collected over 1,600 particulate matter samples.

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AIR POLLUTION SPECIALIST WILLIAMS: To assess changes in asthma status, the researcher obtained various health measurements from study participants to evaluate asthma symptoms. Over 750 lung function and exhaled nitric oxide measurements were collected at six-month intervals as quantitative indicators of asthma severity.

Symptom Diaries, medication use, and unplanned utilization of the health care system were recorded prior to the intervention and at quarterly intervals during the study.

Recall questionnaires were also collected. In total, study staff conducted nearly 1,500 home visits over the course of the study.

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AIR POLLUTION SPECIALIST WILLIAMS: The study findings showed that compared to the lower or no filtration period, the use of high efficiency filtration significantly reduced indoor particulate matter concentrations for all the size fractions measured with reductions ranging from 34 percent to 52 percent for all enrolled homes.

Portable air cleaners provided somewhat higher reductions of PM levels than homes that were fitted with upgraded filters for the central air system. Generally, whether or a portable air cleaner or a central system is more effective at reducing PM will depend on factors such as the device, how it is operated, and the home characteristics.

Indoor/outdoor reflectance ratios for all homes were reduced by 77 percent. And this measurement estimates the fraction of black carbon particles of outdoor origin that remain in the indoor area.

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AIR POLLUTION SPECIALIST WILLIAMS: The health measures showed small but statistically significant reductions in both clinic visits and the sum of hospital emergency department visits and clinic visits. This reduction was most pronounced for those drilling who were characterized as severe asthmatics.
Now, although there were no significant changes in asthma symptoms, such as wheezing, cough, or tightness in the chest, participants who had air cleaners in their homes, and who kept their bedroom doors closed reported less waking at night due to asthma.

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AIR POLLUTION SPECIALIST WILLIAMS: In summary, the results of the two studies paint a clear picture that the use of high efficiency filtration can significantly reduce our exposures to particulate matter in the indoor environment.

New energy efficient homes can expect to see up to a 95 percent reduction of indoor particulate matter levels relative to outdoor levels. Older homes can expect to see PM reductions of at least 30 to 50 percent. There are numerous benefits of high efficiency filtration. It can significantly reduce the levels of indoor particulate matter, especially those -- especially for those who live in areas close to pollution sources and are negatively impacted by local outdoor air pollution. This is particularly important in light of urban infill development.

And finally, it is worthwhile to note that there are expected health benefits from reduced PM indoors that go beyond asthma, such as reduced hospitalizations due to
AIR POLLUTION SPECIALIST WILLIAMS: I'd like to conclude on a note of how we putting these positive findings to work. I mentioned at the start of my presentation that CARB staff recently worked successfully with the California Energy Commission to increase the filter efficiency requirements in new buildings from the currently required MERV 6 to MERV 13 beginning in 2020.

The updated standard will have a major impact because it will effectively reduce PM2.5 that enters home from the outdoor environment.

We are also using the findings to provide the public with information on how to better protect themselves. For example, the findings informed our recent technical advisory recommending that high efficiency filtration can be used as a mitigation measure to reduce indoor PM near busy roadways.

In addition, we have developed fact sheets and FAQ documents that provide guidance on topics, such as how to properly choose and use portable air cleaners and central system filters, and how to minimize exposure to wildfire smoke.

Finally, this research supports community-based projects that are funded as part of our SEP policy, such
as providing high efficiency filtration to schools in the
South Coast and Placer County air districts.

In conclusion, although it should not be viewed
as a panacea for indoor air quality issues,
high-efficiency filtration is an important tool for
reducing indoor, exposures, especially for those who live
in communities close to sources, such as major roadways,
ports, or industry.

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AIR POLLUTION SPECIALIST WILLIAMS: This
concludes my presentation. Thank you again for your
attention. I'm happy to take your questions.

CHAIR NICHOLS: Okay. This is an interesting
area of ARB's activities, which probably most people don't
know about, but which is actually also very important. So
it seemed like a good idea for the Board members to hear
about it.

Any questions, comments?

Dr. Sperling.

BOARD MEMBER SPERLING: How much do these cost?

AIR POLLUTION SPECIALIST WILLIAMS: Well, it
depends on the system. Now, are you talking about the
filters itself or the actually air cleaners?

So the portable air cleaners or say the filters
that I. --
BOARD MEMBER SPERLING: Explain the different -- how do you use portable?

AIR POLLUTION SPECIALIST WILLIAMS: Well, there's -- there are -- I guess I could explain it this way. There are a few different costs. For a higher-end like this, a high MERV filter, you might expect to spend anywhere from $10 to $25 on a filter such as this.

Now, for an actual portable air cleaner that has a high-efficiency filter in it to clean a room, for example, that could range anywhere from $300 up to as much as $1,200 depending on the quality of the particular portable air cleaner.

BOARD MEMBER SPERLING: So they could be a good idea in some cases.

AIR POLLUTION SPECIALIST WILLIAMS: The most -- BOARD MEMBER SPERLING: Cost effective.

AIR POLLUTION SPECIALIST WILLIAMS: The most cost effective way is, for an existing central air system, to just simply put in a much better air filter. And these are readily available and will fit most systems.

BOARD MEMBER SPERLING: Thank you.

CHAIR NICHOLS: Any other?

Yes, Dr. Sherriffs.

BOARD MEMBER SHERRIFFS: It is remarkable, I mean, how cost effective this could be in some settings
for homes that already have an existing air conditioning system that all you have to do is put the better filter in $10, $25 and you change it as often as you change your other filters.

You know, maybe some of us are a little disappointed. Gee, only a 20 percent reduction in clinic visits, but that's -- that's real health care dollars.

CHAIR NICHOLS: Um-hmm.

BOARD MEMBER SHERRIFFS: And this is looking at asthma, which is extremely important. But when we look at mortality and morbidity that's PM2.5. And clearly, if we're impacting asthma, we probably are impacting the cardiovascular. So it is quite a public health measure.

Something as we look at 617. Some communities may want to look at this as one of the interventions that they would be using, particularly for improving near roadway. Yeah, it's not a panacea, because we want to improve outdoor air quality and get people outside, and active transit, and exercising, and so on.

CHAIR NICHOLS: Yeah.

BOARD MEMBER SHERRIFFS: But nonetheless, most of us spend at least eight hours sleeping inside every day or something approximating that. So we're spending time inside. And this has some real important health effects.

But help me, because all it is is a filter, why
2021? Why not 2020 or -- for the building code standard, what is it that the -- what's the complexity of the building code that takes us a couple years to bring that to fruition?

AIR POLLUTION SPECIALIST WILLIAMS: Well, I think -- I know that the code change occurs in 2019. And I believe it's just a matter of the timing. It's not something that can be necessarily, you know, just implemented immediately. And Peggy might have a better answer to that.

RD INDOOR EXPOSURE ASSESSMENT SECTION MANAGER JENKINS: Good morning, Peggy Jenkins. Yes, the codes are revised every three years. There is a requirement that once the codes are accepted, they have to be published formally, and so they're called. In this case, the 2019 codes, the effective date is January 1st of 2020. They CEC just approved these, what a month or two ago. So there are certain requirements for publication companies, and builders need to have some time to plan and prepare. I think as you know, you make the plans, you get the permits, it's usually a multi-year process. So they try to give them some lead time for that. So that's a simple answer. I'm not a building code expert either, so...

DEPUTY EXECUTIVE OFFICER KARPEROS: Dr.
Sherriffs, that of course does not suggest that you couldn't go down to Home Depot or Lowe's tomorrow and buy your own filter.

BOARD MEMBER SHERRIFFS: I'm thinking about that strongly.

(Laughter.)

BOARD MEMBER SHERRIFFS: You know, and anybody -- anybody who's spending $20 a month on vitamins, you know, with a questionable effect. No, this is a demonstrated effect. And clearly, we need more search to -- is this reproducible, and, you know, bigger numbers, so that we can look at the cardiovascular outcomes. But this is -- this is -- this is good. This is important.

BOARD MEMBER RIORDAN: Madam Chair, I ask the staff when I was briefed a bit about information, because I think there is a lot of information that I learned that we're providing on our website for people. And I think that's very important that we get the message out, and particularly into areas where the PM2.5 is a bit of an issue.

And so I'm really grateful to staff for what they are, you know, able to put out there so -- for the public consumption. And again, some of these people can avail themselves of this information early on, and make use of it for -- particularly for people who are impaired by poor
breathing conditions.

CHAIR NICHOLS: Okay. Yes.

VICE CHAIR BERG: Madam Chair, Dr. Balmes asked me to express that he was sorry that he couldn't stay, and to say hello to Peggy Jenkins. Give you his best.

But also in my briefing, I just really appreciated the fact that we do hear about these research projects when they're brought to us, and what the intent is to the outcomes. But we don't often hear about in an update like this the results. And I really appreciated that. And bringing it real world, I think is very meaningful. So thanks for all your effort and all the best from Dr. Balmes.

(Laughter.)

CHAIR NICHOLS: So that's nice to -- nice to see you all here.

I just would add that I think this is an area where ARB has really invested over a period of time in building up some expertise thanks to the Research Division on the topic of indoor air exposures and what can be done about it. And the indoor air is primary a result of what's coming into the buildings from outside. Although, there certainly are some areas where, you know, fireplaces and wood stoves and so forth are people are getting direct exposures to pollution that they're creating inside.
But by and large what we're talking about is this issue of being in an area where there's high pollution and where some protection is called for. And I think it would be useful for us, as others have suggested, not just to, you know, post the results on the website just as a posting, but actually to think about some sort of communication on this topic.

It's always a little delicate, because we certainly don't want to suggest that we're not continuing to be vigilant about trying to reduce the overall emissions into the air. But at the same time, if there are things that can be done that are within people's power to do them that will alleviate some of the health effects of air pollution, we should be trying to promote them, I think.

So, Mr. Corey, I don't know if you want to add any thoughts to how we might want to respond further, but I'd appreciate your ideas.

EXECUTIVE OFFICER COREY: Yeah, I -- actually, the idea about -- and we have had the discussion previously about how to more effectively get the results of the research projects out, but in terms of some adjustments we made. As we redo our entire website we actually are looking to improve on that count.

But what I'd suggest is we'll circle with
Research Division. I'd also like to follow up with Dr. Sherriffs, Dr. Balmes --

CHAIR NICHOLS: Um-hmm.

EXECUTIVE OFFICER COREY: -- and some of the other Board members on some suggestions on how we might more effectively get that information out. And maybe just through some contacts that we have, as well as some links and some other related postings. So we're pretty open in terms of how -- how could we more effectively kind of push this information out, both in our own means, through our website, but also through some of the partnerships we're putting in place and also through the districts.

CHAIR NICHOLS: I say partnering with other groups --

EXECUTIVE OFFICER COREY: Yeah.

CHAIR NICHOLS: -- that work with us frequently including the Lung Association it would seem like an obvious next step.

So. Okay. Great. Well thank you very much. Did you want to add something?

BOARD MEMBER RIORDAN: Well, I just wanted to add, you know, one group that I can just think of off the top of my head, those people who are in the high fire danger areas, and who have experienced forest fires, you know, there's a long-term effect, because of the -- you
know, the ash and when the wind blows and whole lot of things. And we might look to those areas very specifically to help people understand what they might be able to do by just changing the filters in their home or adding a system by a room that -- but believe me, those people have really suffered who are in those areas, and they'll suffer for at least a year or more.

CHAIR NICHOLS: That's right.

Yeah, the fire situation is actually a very good reason why we should be looking at this sooner rather than later. It's a good point. We always are inundated with questions and calls. And even when it doesn't come directly to us, there's just a great deal of concern out there about what people are breathing after those fires.

So that's a good thought.

Okay. Nothing further to add. Thank you so much. Appreciate the presentation.

That was our last agenda item. We do have two people who have signed up for public comment during the open comment period. So I will call them to come forward. Now. And you have three minutes to speak on whatever you wish to talk about.

Alyssa Giachino and Wayne Michaud are the two names I had.

If Alyssa isn't here, Wayne could come forward,
or she changed her mind.

BOARD MEMBER RIORDAN: She may have left.
CHAIR NICHOLS: She might have had to leave, right. Hi.

MR. MICHAUD: Okay. Thank you.

Well, thank you for letting me comment today. So I am Wayne Michaud, executive director of Idel-Free California, a Sacramento County based organization that raises awareness of idling -- the impact of idling in California. Especially parked idling, which we consider to be harmful, wasteful, and large unnecessary.

So first I just want to thank the ARB for enforcing heavy-duty vehicle idling regulations very well. So when my organization was in Vermont, we worked with the Vermont DEC to bring awareness of the idling issue to Vermonters.

Now, here in California, instead of using education -- see, I'm speaking today about education of the idling vehicles. Okay. So we seem to be waiting for the electric car to take over our highways and solve the problem 10 years from now. I drive an EV myself. But the air quality and GHG emissions impact of discretionary idling is happening now and not going away any time soon.

The one to two percent of all transportation emissions parked idling contributes to here comes to
nearly four million tons of CO2 emitted annually. So current climate projections are clear that we don't have 10 years to turn our backs on any potential reduction of these emissions.

So I don't understand why our state is not educating Californians on this issue. We accomplished the following idling awareness education in Vermont, and we need to be doing this in California. First, I just created this mock-up of a webpage -- an ARB webpage that I have on my Indle-Free California website. It is not viewable by the public. It's a Be Idle Free, and I hope I can leave it with you, if you don't mind. So the URL is on the back for you to refer.

Other ways that we could educate is we could have a video explaining the harm and waste of discretionary idling. We can have information rack cards in DMV locations. We can inform motorists of the issue in the driver's handbook. And finally, we can have signs at State Facilities. And I have a couple of examples here. One of them is the Bay Area Air Quality Management District has this sign that appears around the Bay Area. And it's a bilingual sign as you can see. So I just put a mock of ARB URL on the bottom, but that's not a real one.

Anyway.
And I'll leave that for you also. And just finally just another sign. You know, another example of a sign. And I'm done.

CHAIR NICHOLS: Thank you. Thanks for coming in, and for bringing the illustrations along with you.

MR. MICHAUD: Okay.

CHAIR NICHOLS: I think we're not -- we can't do anything about this item in terms of a regulatory issue, but I do think staff will take this information, and hopefully someone will get back to you at least with a comment on what we're doing in this area, and what we could be doing. We appreciate your interest, and we'd like to at least follow-up and see what we can do to take advantage of all this.

BOARD MEMBER SHERRIFFS: And I just want to add my thanks and point out contact the San Joaquin Valley Air Pollution Control District, because they have a fairly active program in terms of idle free around schools.

MR. MICHAUD: They do.

BOARD MEMBER SHERRIFFS: And I actually carry some of these signs in the trunk of my Leaf to distribute in appropriate places.

MR. MICHAUD: Excellent.

BOARD MEMBER SHERRIFFS: And I actually have one out in front of my house because, I'm out in the country
and parents are always idling waiting for the school bus with their kids. And I shake the sign.

(Laughter.)

MR. MICHAUD: Very good. Very good. Excellent. That's what we like to see. Central California -- Central California Asthma Collaborative also does very good education on idling in schools.

CHAIR NICHOLS: So we would pull together a little bit of a summary of what's going on in this area, and see if there's something more we could contribute maybe from the State's perspective. Thank you.

MR. MICHAUD: Thank you. Should I leave this up front then.

VICE CHAIR BERG: Thank you and keep up the great work.

CHAIR NICHOLS: All right. I believe that is the end of our meeting. So I'll declare us adjourned.

Thanks, everybody.

(Thereupon the Air Resources Board meeting adjourned at 3:53 p.m.)
CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Air Resources Board meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of July, 2018.

JAMES F. PETERS, CSR
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